

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

October 28, 2009

CHANGE NOTICE NO.1  
TO  
CONTRACT NO. 071B9200170  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF CONTRACTOR <b>Agile Access Control, Inc.</b> <b>4640 Star Flower Drive</b> <b>Chantilly, VA 20151</b>  <b>Email: esmith@agilefleet.com</b>	TELEPHONE Ed Smith <b>(408) 213-9555 x 501</b>
	CONTRACTOR NUMBER/MAIL CODE
	BUYER/CA (517) 335-4804 <b>Douglas S. Collier</b>
Contract Compliance Inspector: Mark Lawrence (517) 241-1640 <b>MOTOR POOL MANAGEMENT SYSTEM</b>	
CONTRACT PERIOD: <b>3-yrs</b> From: <b>March 10, 2009</b> To: <b>March 9, 2012</b>	
TERMS <b>N/A</b>	SHIPMENT <b>N/A</b>
F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>	
MISCELLANEOUS INFORMATION:	

**NATURE OF CHANGE(S):**

Per Executive Directive 2009-3, the vendor has offered the following price concessions to the State of Michigan:

Effective immediately, this contract reduced by \$4,700.00 for 3.31% of the remaining balance of funds available to the contractor for services.

**AUTHORITY/REASON(S):**

Per vendor and agency agreement and DMB Purchasing Operations approval.

**REDUCED: \$4,700.00**

**TOTAL REVISED ESTIMATED CONTRACT VALUE: \$397,903.00**

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March 26, 2009

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F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>		
MISCELLANEOUS INFORMATION:		

**Estimated Contract Value: \$402,603.00**

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
PURCHASING OPERATIONS  
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F.O.B. <b>N/A</b>	SHIPPED FROM <b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>	
MISCELLANEOUS INFORMATION: <b>The terms and conditions of this Contract are attached.</b> <b>Estimated Contract Value: \$402,603.00</b>	

All terms and conditions of the invitation to bid are made a part hereof.

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<b>FOR THE CONTRACTOR:</b>	<b>FOR THE STATE:</b>
Agile Access Control, Inc.	Signature
Firm Name	Douglas Collier, Buyer
Authorized Agent Signature	Name/Title
Authorized Agent (Print or Type)	IT Division
Edwin E. Smith	Division
Date	Date



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#### ATTACHMENT(S)

- A.** Functional Requirements
- B.** Technical Requirements



## Article 1 – Statement of Work (SOW)

### 1.0 Project Identification

#### **1.001 PROJECT**

The State of Michigan (State), through the Michigan Department of Management & Budget (MDMB), Vehicle and Travel Services (VTS), with assistance of the Michigan Department of Information Technology (MDIT), has issued this Contract for a web-based, Commercial Off-the-Shelf (COTS) Motor Pool software and recommended hardware solution. This solution will accommodate the movement and assignment of as many as 1000 vehicles in multiple locations. The solution is planned to be interconnected via an automated reservation, pick up, and return vehicle system that will be integrated with automated key boxes, including the distribution of fuel cards. The user would enter a reservation code to access the vehicle key and then enter mileage information upon return. Each location will operate as a separate entity and be interfaced with the existing vehicle management system.

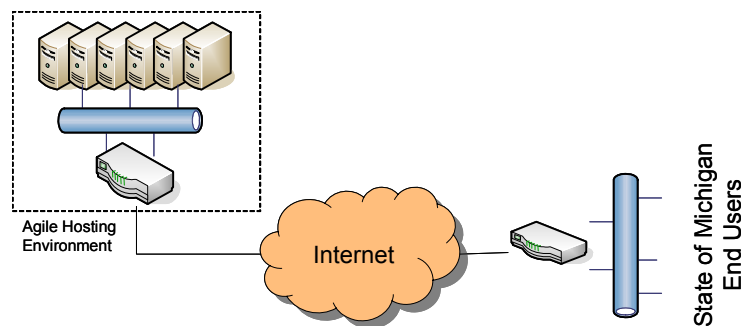
VTS initially seeks to establish the operating environment as a Contractor-hosted solution (ASP – Application Service Provider) using the COTS software, and hardware as necessary, requiring little, or no, customization. The COTS solution is eventually planned for migration to an internally hosted system.

This project includes configuration and implementation of the COTS software, data conversion (as necessary), training, operational services for the Contractor-hosted solution, and maintenance and support.

#### Overview

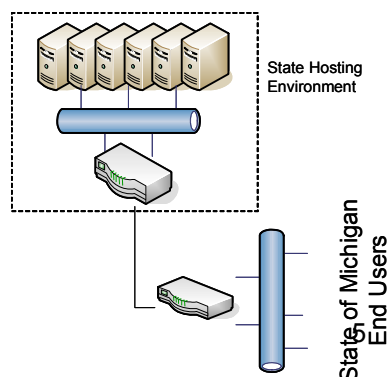
Agile will deliver FleetCommander in a manner that closely resembles an off-the-shelf implementation. The proposed approach has been proven in government, commercial, utility and educational environments.

The first phase of the project is to install FleetCommander on Agile-provided servers in Agile's hosted environment. This phase will last approximately three months.



*During the first phase of the project, FleetCommander will be provided on Agile-provided servers housed in Agile's hosting environment.*

The second phase of the project is to transition FleetCommander into the State-hosted computing environment. Agile will provide transition support to ensure the effort goes seamlessly and the State's staff is prepared to take on the role of administering FleetCommander.







*The end-state configuration for the motor pool management system is hosted and maintained by the State.*

A variety of deliverables related to installation and on-going support of the motor pool management system are included as part of this effort.

### **1.002 BACKGROUND**

VTS currently operates two unrelated, motor pool systems designed as intranet applications for its Motor Pools. The newest, Vehicle Registration System, or VRS, was designed by the Michigan Department of Environmental Quality for its Motor Pool about 2003 and shared with VTS where it is used for 'outstate' pools. 'Outstate' generally means outside of the Lansing area. Two notable drawbacks of the current system are minimal security with no password requirement and the ability of the driver to reserve a specific vehicle.

Outstate drivers access VRS where they choose a specific vehicle to reserve. The driver obtains the key from a key box, makes the trip, and returns the vehicle noting accounting and other information on the confirmation sheet. The facility manager mails the confirmations to VTS.

The process for Lansing area drivers is to access an intranet application page that requires standard information. The page is automatically sent to the vehicle scheduler who evaluates availability, then e-mails a confirmation to the driver. If no vehicle is available, the notifying e-mail can then be used for documentation by the driver allowing them to drive a personal vehicle for that trip. Near to the pick-up time, the scheduler selects the particular vehicle for the driver to use. This system has no associated database of drivers.

The last step for each system is manual entry of confirmation records and accounting information into M4, the current fleet management system, for billing purposes.

During July, 2008, the number of vehicles in the current Motor Pools was:

Central Garage at Secondary Complex	35
Downtown Lansing	56
Escanaba	11
Traverse City	14
Detroit	<u>40</u>
	156

(See projected vehicle usage sites in Section 1.104, Work and Deliverables)

The addition of new Motor Pools in Jackson, Grand Rapids, Flint and Saginaw would add approximately fifty vehicles at each of those locations. Two other state departments which operate their own Motor Pools have expressed an interest in using a new system.

The goal is to allow VTS to manage expanded Motor Pool operations in multiple locations with these objectives:

1. Eliminate redundant database maintenance,
2. Allow real-time information retrieval,
3. Allow easy customer access to a registration system,
4. Allow secure customer access to vehicle keys for pick up and return, and
5. Provide a billing interface to the state's accounting system.

Additionally, the software should take into consideration the following attributes needed to satisfy VTS' business needs:

- Allow for flexible data analysis
- Identify opportunities for customer access and data revision
- Provide for flexibility to meet future needs and services
- Provide process enhancements with a focus on e-commerce
- Provide an ad hoc querying capability that can be used in reporting



Information provided herein is intended solely to assist the Contractor in the preparation of tasking. To the best of the State's knowledge, the information provided is accurate. However, the State does not warrant such accuracy, and any variations subsequently determined will not be construed as a basis for invalidating this contract. The State reserves the right to cancel this contract or any part thereof, at any time.

### **1.101 IN SCOPE**

This project consists of the following scope:

- Project Planning
- Provision of Software/Hardware
- Implementation
  - Establish FleetCommander in Hosting Environment
  - Collect & Import Michigan Fleet Data
  - Documentation
  - Training
  - Configure & Optimize FleetCommander
  - Develop Billing Algorithm and Interface Software
  - Testing
  - Accept FleetCommander Software
  - Transition FleetCommander to State
  - Implement Key Control
- System hosting Maintenance and Support Services
- Full Support and Transition to State of Michigan

The contract will have a minimum term of three (3) years with two, one (1) year options. Additional extensions to provide continued maintenance of the product while in use by the State may be requested. Renewal of the contract will be at the sole discretion of the State and will be based on acceptable performance of the selected Contractor as determined by the State.

A more detailed description of the software, services (work) and deliverables sought for this project is provided in Article 1, Section 1.104, Work and Deliverables.

### **1.102 OUT OF SCOPE**

The following are out of the scope of this contract:

- Desktop upgrades, if required;
- Application design and development not related to the services described in this contract.
- Re-engineering the VTS organization.
- Retrofit of existing state Motor Pool applications. State agencies will have the discretion of leveraging the Motor Pool solution for their existing applications.
- Due to funding constraints, the use of on-board computers, global positioning systems, or RFID devices, will not be included in this contract.

### **1.103 ENVIRONMENT**

The links below will provide information on the State's Enterprise IT policies, standards and procedures which include security policy and procedures, IT strategic plan and the State's project management methodology.

The Contractor is advised that the State has methods, policies, standards and guidelines that have been developed over the years. The Contractor is expected to provide services that conform to State IT policies and standards. All services and products provided as a result of this contract will comply with all applicable State IT policies and standards in effect at the time the services are provided. The Contractor will request any exception to State IT policies and standards. It will be the responsibility of the State to deny the exception request or to seek a policy or standards exception.



**Contractor is required to review all applicable links provided below.**

**Enterprise IT Policies, Standards and Procedures:**

**<http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>**

All software and hardware items provided by the Contractor will run on and be compatible with the MDIT Standard Information Technology Environment. Additionally, the State will be able to maintain software and other items produced as the result of the Contract. Therefore, non-standard development tools may not be used unless approved by MDIT. The Contractor will request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any change. The State's Project Manager and MDIT must approve any tools, in writing, before use on any information technology project.

It is recognized that technology changes rapidly. The Contractor may request, in writing, a change in the standard environment, providing justification for the requested change and all costs associated with any change. Any changes must be approved, in writing, by the State's Project Manager and MDIT, before work may proceed based on the changed environment.

**Enterprise IT Security Policy and Procedures:**

**<http://www.michigan.gov/dit/0,1607,7-139-34305-108216--,00.html>**

**The State's security environment includes:**

- MDIT Secure Login
- MDIT provided SQL security database.
- Secured Socket Layers.
- SecureID (State Security Standard for external network access and high risk Web systems)

**IT Strategic Plan:**

**<http://www.michigan.gov/dit/0,1607,7-139-30637-135173--,00.html>**

**IT eMichigan Web Development Standard Tools:**

**[http://www.michigan.gov/documents/Look\\_and\\_Feel\\_Standards\\_2006\\_v3\\_166408\\_7.pdf](http://www.michigan.gov/documents/Look_and_Feel_Standards_2006_v3_166408_7.pdf)**

**The State Unified Information Technology Environment (SUITE):**

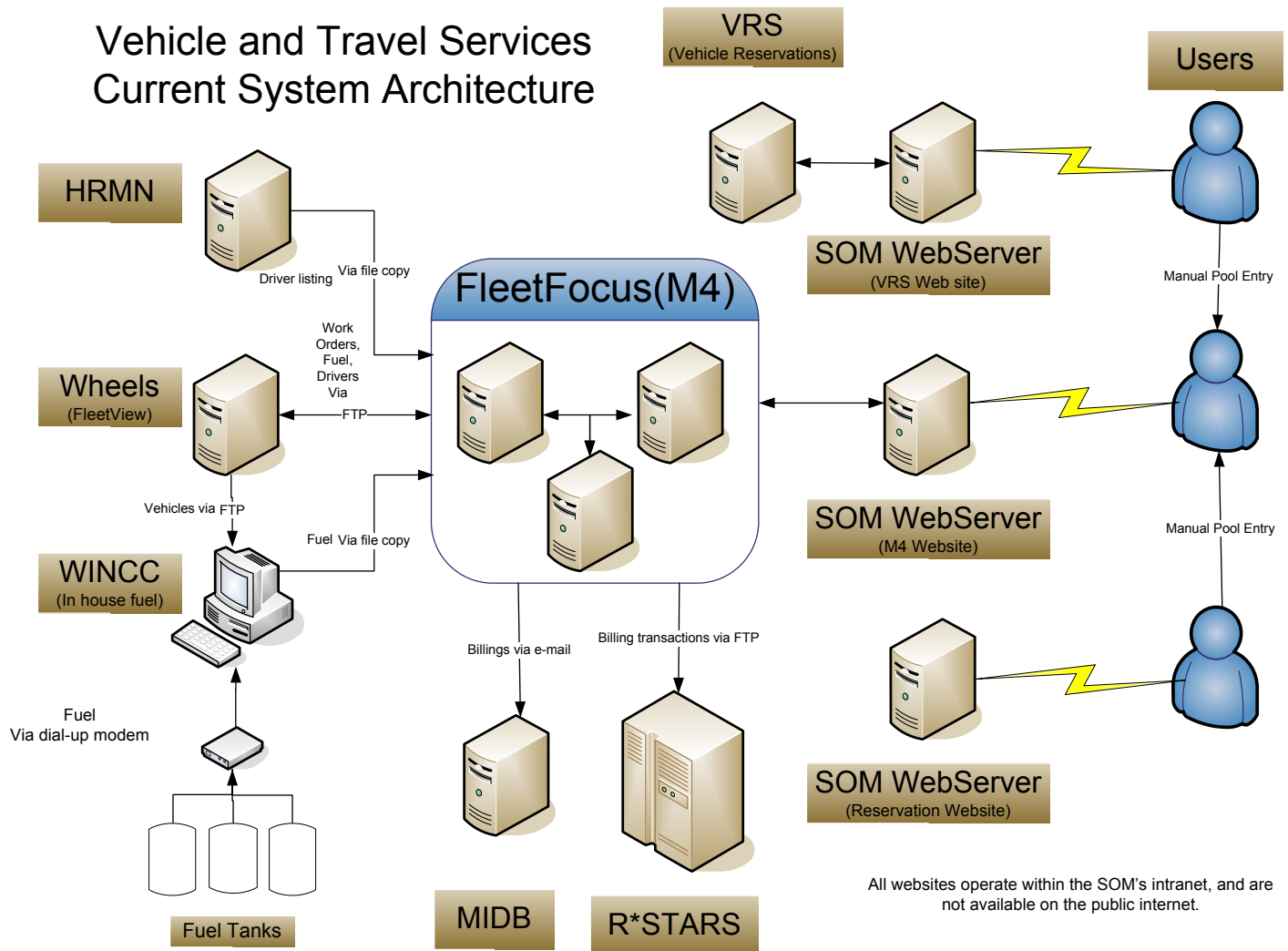
Includes standards for project management, systems engineering, and associated forms and templates – must be followed: **<http://www.michigan.gov/suite>**

**Agency Specific Technology Environment**

As previously stated, VTS initially seeks to establish a Contractor-hosted system and then eventually migrate to a State of Michigan-hosted system. As such, the current Vehicle and Travel Services' Network Architecture diagram, known as M4, is provided below as an integral component for future consideration in proposing an in-State hosting strategy.



## Vehicle and Travel Services Current System Architecture



As of 6-26-2008

### 1.104 WORK AND DELIVERABLE

This section includes **I. Services (work) To Be Provided and Deliverables** and **II. Requirements** for the successful completion of this project.

The Contractor shall provide deliverables, services and staff, and otherwise do all things necessary or incidental to provide the functionality required for business operations, in accordance with the requirements as set forth below and in Appendices A and B.

#### I. Services (work) To Be Provided and Deliverables

**A. Project Planning** - Project Planning covers those activities that require ongoing administrative oversight throughout all the Motor Pool implementation processes, from initiation to completion of the project. Planning also includes a number of plans that will guide and govern the project from requirements gathering through deployment and also for preparing for the eventual assumption of responsibilities by the State. Project Planning includes administrative activities required in Sections 1.3 and 1.4, and from below.

#### Deliverables:

- Detailed Project Plan** - within 10 business days of the Contract Orientation meeting, the Contractor will update the draft Project Plan from the plan that is presented at the Contract Orientation meeting.



See Section 1.301 Project Plan Management, for detailed requirements on the Project Work Plan. The updated plan [**DELIVERABLE** (A.1) from the Pricing Tables] will be revised to reflect input provided by the State. The detailed project plan will include, but not be limited to:

- Roles, responsibilities & organizational structure
- MS Project Plan, including deliverables, tasks & sub tasks, milestones, and project baselines
- Identification of assumptions made to develop project plans
- Identification of any items perceived to pose risk to the project
- Provide, in attachment D, a list of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document (“Written Deliverable”) or a Custom Software Deliverable, or a Service Deliverable

2. **Quality Management Review** - The Contractor’s approach for assuring the quality of work and deliverables completed during the Project will be described at the Orientation meeting. [**No cost deliverable**] The Contractor’s approach will address the following:
  - a. Quality Assurance Activities - Description of the quality assurance activities to be performed by the Contractor during the term of the contract in order to ensure that the project employs all processes needed to meet the requirements.
  - b. Quality Control Activities - Description of the quality control activities to be performed on all deliverables before submission to State by the Contractor during the term of the Contract.
  - c. Quality Plan Process and Procedures - Description of the Contractor’s processes and procedures for conducting quality assurance activities, including the review and approval of all contract deliverables by the State.
  - d. Problem Reporting and Resolution - Including Integrated Issue Management.
  - e. Problem Escalation - Description of the process the Contractor will use to address problems and resolve conflicts that cannot be resolved by a single team or business area, or that require a decision from upper-level management.
  - f. Preliminary Schedule for Quality Assurance Activities - Including: Deliverable(s) to be Reviewed; Anticipated Date(s) for Review; Contractor Participant(s); and State Participant(s).
3. **Test Plan** – The Contractor will develop a Test Plan [**DELIVERABLE** (A.3) from the Pricing Tables] that describes a comprehensive approach for testing FleetCommander.

The Test Plan describes an approach for evaluating the FleetCommander product and the related installation. The plan will include, but not be limited to, recommendations for how to prepare and execute tests required to accept:

1. The user (non-Administrator) functions of FleetCommander
2. The Administrator functions of FleetCommander
3. Documentation regarding the installation, support and system administration tasks required to maintain FleetCommander in the State’s IT environment.

Agile’s approach to testing relies on accepting the application based using two primary methods:

- Validating that the as-delivered system performs as documented in Agile’s System Administration and User Guide documents
- Validating that the as-delivered system performs a set of operational use cases that cover the process of making, approving, and dispatching a motor pool vehicle and subsequently billing and reporting on the use of that/those vehicles.

The Test Plan will include:

- An overview of the test approach
- A list of test tasks and related schedules



- A description of how to document, track and ultimately resolve anomalies identified during testing
- A recommendation on the resources the State should allocate to this effort
- A description of the role Agile will play in supporting the State's test efforts

It is proposed that the Test Plan be developed within 30 business days after acceptance of the Detailed Project Plan.

4. **Training and Knowledge-Transfer Plan** - Agile will develop and deliver a Training and Knowledge Transfer Plan [**DELIVERABLE** (A.4) from the Pricing Tables]. The Plan will outline activities related to training the State's users on the daily use and maintenance of FleetCommander.

Agile will provide three primary types of training necessary for the State to take full advantage of the features of FleetCommander. These areas include:

1. **FleetCommander User (non-Administrator) training** – Covers how fleet users (e.g. drivers) interact with the system to perform routine tasks such as making a reservation, checking their schedule on-line, or running
2. **FleetCommander Fleet Administrator training** – Covers how authorized fleet staff configure FleetCommander for maximize effectiveness as well as how to use FleetCommander administrative functions on a day-to-day basis.
3. **FleetCommander technical implementation training** – Covers how to perform the technical tasks required to transition FleetCommander to the State's hosted environment and how to maintain FleetCommander in the State's hosted environment. Procedures to perform tasks such as system startup, system shutdown and system backups will be included in this phase of training.

Agile proposes delivering the Training and Knowledge Transfer Plan within 15 business days following approval of the Detailed Project Plan.

### **Acceptance Criteria**

Acceptance criteria for the Project Plan documents are that they must contain the minimum items as outlined in the above listed plans. General Document Deliverables acceptance criteria are contained in Section 1.501.

### **B. (Reserved)**

- C. **Provision of Software/Hardware** – Contractor will provide for licensing [**DELIVERABLE** (C.1) from the Pricing Tables] and for a description of the proposed architecture, both for an initial, contractor-hosted setup, and for a future state-hosted arrangement. Contractor will provide a detailed description of the infrastructure needed for both arrangements. For the contractor-hosted arrangement, Contractor will supply all hardware [**DELIVERABLE** (C.2) from the Pricing Tables] to be installed as well as full software services. For the future, state-hosted system, the Contractor will, at the state's option, provide hardware and software needed. This includes kiosks, servers, key boxes, database software, and 3rd party software.

Licensing for the VTS Motor Pool sites, including the first two Contractor-assisted sites, will be provided from the following vehicle usage list:

- DEQ – 163 vehicles (assume no key boxes)
- Detroit – 40 vehicles
- Escanaba – 10 vehicles
- Flint – 47 vehicles



- Grand Rapids – 24 vehicles
- Jackson – 27 vehicles
- Lansing Downtown – 56 vehicles
- Lansing Garage – 35 vehicles (initial implementation site)
- Marquette – 6 vehicles (assume no key boxes)
- Saginaw – 16 vehicles
- Traverse City – 14 vehicles (initial implementation site)

### **Hardware and Software**

Kiosks and key control boxes are the two primary hardware components provided as part of this project. In addition to FleetCommander web and key box communications software, some third-party software components are required. The required hardware and software are described in the sections below.

#### **Hardware**

##### Server

Agile will provide the servers for the Agile-hosted solution. The State will provide the server[s] for the State-hosted solution.

##### Kiosks

The kiosk provides an intuitive, graphical interface for enabling the automatic pickup and drop of keys, and other fleet functions. The kiosk is simply a self-contained personal computer. The computer interacts with FleetCommander's kiosk user interface via Internet Explorer using a rugged keyboard and trackball. Optionally, the system can be configured to use the touch-screen capability of the kiosk.

The proposed model of kiosk is from a company named Instruments & Equipment. The model is a 1.3 GHz PC with a 17" LCD monitor. Pictures of the unit are shown below: *The unit has a 17" LCD screen, but also contains the self-contained 1.3 GHz computer*

*The I/O coverplate prevents access to the ports and power buttons by the general public*

A rugged keyboard is proposed for each site, although it is not required. Should the State desire to use simply the touch-screen monitor and forego the keyboard, software can be configured to provide the keyboard capability on-screen. This will be demonstrated after receipt of the first hardware.





### Kiosk Hardware Bill of Materials

#	Location	Quantity	Description
1	Lansing Garage	1 each	<b>Item:</b> 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)  <b>Item:</b> 797 Wall Mount  <b>Item:</b> IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)
2	Traverse City	1 each	<b>Item:</b> 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)  <b>Item:</b> 797 Wall Mount  <b>Item:</b> IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)
3	Detroit	1 each	<b>Item:</b> 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)  <b>Item:</b> 797 Wall Mount  <b>Item:</b> IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)
4	Escanaba	1 each	<b>Item:</b> 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)  <b>Item:</b> 797 Wall Mount  <b>Item:</b> IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)
5	Lansing Downtown	1 each	<b>Item:</b> 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)  <b>Item:</b> 797 Wall Mount  <b>Item:</b> IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)
6	Flint	1 each	<b>Item:</b> 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)





7 Grand Rapids 1 each

8 Jackson 1 each

9 Saginaw 1 each

10 spare 1 each

TOTAL 10

Item: 797 Wall Mount

Item: IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)

Item: 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)

Item: 797 Wall Mount

Item: IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)

Item: 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)

Item: 797 Wall Mount

Item: IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)

Item: 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)

Item: 797 Wall Mount

Item: IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)

Item: 797-512R-80XPEB (17" LCD 300 NIT Touch Screen, 1.3 GHz DEL, 512 MB RAM, 80 GIG HD, Black; Windows XP Embedded)

Item: 797 Wall Mount

Item: IE-SS-KB-B-KIT (Industrial Vandal Proof Keyboard w/ Housed Trackball; Wall Mount Kit Included)

#### Key Control Box

The key control box provides secure pick-up and drop-off of keys. After interacting with FleetCommander via the kiosk, the key box automatically opens, unlocks the key position, and flashes a light next to the designated key. The proposed configuration of key box also secures fuel or credit cards in addition to vehicle keys.

The proposed model of key box is from a company named Key Systems, Inc. of Victory, New York. The vendor refers to the key box as a Security Asset Manager (SAM).



The size of the SAM varies based upon the number of keys that are desired to be managed. The picture below reflects a 10-key "Card SAM". The name "Card" implies that it secures both keys and a fuel or gas card.

Tamper-proof key rings will be provided. In addition tools for crimping the key rings shut and for cutting the key rings open will be provided with each unit.

#### Key Control Hardware Bill of Materials

#	Location	Quantity	Description
1	Lansing Garage (35)	1	36-position Card SAM; initial site[s]
2	Traverse City (14)	1	20-position Card SAM; initial site[s]
3	Detroit (40)	1	54-position Card SAM
4	Escanaba (10)	1	10-position Card SAM
5	Flint (47)	1	54-position Card SAM
6	Grand Rapids (24)	1	36-position Card SAM
7	Jackson (27)	1	36-position Card SAM
8	Lansing Downtown (56)	1	54-position Card SAM and 10-position Card SAM (Note: max keys per box is 54). Note: Configuration to be reviewed with the State.
9	Saginaw (16)	1	20-position Card SAM
	<b>TOTAL</b>	<b>9</b>	

#### **Software**

Software required for installation and maintenance of FleetCommander in the State's environment is described in the table below.

Hardware Component	Software Required	Comments
Server	<ul style="list-style-type: none"> <li>Windows 2003</li> <li>MS SQL Server 2005 <ul style="list-style-type: none"> <li>ASPpdf*</li> <li>ASPupload*</li> </ul> </li> </ul>	ASPpdf and ASPupload are provided by Agile.
Kiosk	<ul style="list-style-type: none"> <li>Windows XP Pro</li> <li>Kioware Software*</li> </ul>	Kioware available via <a href="http://www.kioware.com">www.kioware.com</a> . One Kioware license is required per kiosk. License keys for Kioware are provided by Agile.

\* indicates the items is provided by Agile

#### Acceptance Criteria



Acceptance criteria for Software Deliverables are listed in Section 1.501.

- D. Implementation** – In this ‘phase’ of the project the Contractor will stand up, configure, and test the Contractor-hosted vehicle management solution. The implementation will encompass the configuration of the software with key VTS and MDIT resources, the development of a data dictionary for documenting the database schema, and the definition and development of the accounting interface from the Contractor-hosted environment to the SOM environment. Once the solution is readied, the Contractor can expect to develop and run technical and user acceptance testing, prepare and provide operational and technical documentation, and conduct SOM training for use of the system. An iterative approach is recommended in order to step through this element of scope, with each cycle adding significant functionality to the system. The initial installations will be implemented in two locations (Lansing Garage, Dimondale, MI, and Traverse City, MI). Subsequent implementations (nine [9]; see licensing list) will be scheduled after the initial implementations are in production.

The approach to implementation of the State’s motor pool management system will mirror the off-the-shelf approach used by Agile. Each major aspect of the implementation process is described in the sections below.

### **1. Establish FleetCommander in Agile’s Hosting Environment**

Agile has already established Michigan’s site in the Agile-hosted environment.

Agile’s hosting environment is a secure, fault-tolerant facility. Application server and database server hardware is comprised of fast, multi-core processors with RAID technology-protected hard drives.

The site, <https://Michigan.agilefleet.com> is protected via SSL for encryption of message traffic.

This site and the associated database are on Agile shared servers; however, Michigan’s instance of FleetCommander and Michigan’s database are not shared.

### **2. Collect & Import Michigan Fleet Data [DELIVERABLE (D.7) from the Pricing Tables]**

Agile will collect and import Michigan’s vehicle and user (if needed) data [Deliverable (D.7) from the Pricing Tables].

Agile will work with the State of Michigan to align content and format of data to be imported.

Agile has included a total of twenty-four (24) hours for this effort. This is the amount of time typically required to perform the steps described in the previous paragraph for a set of customer data. Based on the most recent discussions, it has become apparent that the State may need to provide vehicle data (and possibly user data) multiple times rather than a single time. For example, the initial data set is proposed to include Lansing Garage, Lansing Downtown, Detroit, Escanaba and Traverse City. Other sites will come at a later time. Agile had anticipated data being imported once. With that said, Agile is prepared to perform vehicle data imports on three separate occasions. Should more than three data imports be required, Agile and the State will mutually agree whether hours proposed under the “provisioning” tasks are adequate to cover the additional resources expended by Agile. Note: There are easy methods to manually enter vehicle data should this option be necessary.

### **3. Documentation**

In addition to providing the FleetCommander System Administration Guide and a FleetCommander User Guide, Agile will provide documentation that describes the procedures for backing up FleetCommander applications and data, as well as procedures for performing standard system tasks such as starting up and shutting down the software and servers [DELIVERABLE (D.4) from the Pricing Tables].

It is assumed that the State has IT resources familiar with basics of computer system administration and basic administration of Microsoft SQL Server. Therefore, documentation will be provided at a level appropriate to communicate the subject procedures to this audience.



#### 4. Training

Agile will prepare for on-line and on-site training [**DELIVERABLE** (D.9) from the Pricing Tables] and will come on site for at least two days of on-site training [**DELIVERABLE** (D.5) from the Pricing Tables]. The training approach will be documented in the Training Plan.

Three types of training will be provided. Note that the names for these types of training follow Agile's conventions rather than the titles provided in the ITB. Specifically, Agile will provide training on the following:

1. **FleetCommander Fleet Administrator Training** – This training focuses on the activities that fleet staff perform in order to configure FleetCommander for use and to use FleetCommander on a day-to-day basis.
2. **FleetCommander User Training** – This is a fairly short training session focusing on the interactions that typical non-fleet staff have with FleetCommander. The approach is to “train the trainer”. That is, Agile will train the State's fleet staff on User features and subsequent user training will be provided to the user community by the State.
3. **FleetCommander Technical Implementation Training** – Agile will work with the State's IT staff on technical implementation training. This activity focuses on the technical tasks required to transition FleetCommander to the State's environment and subsequently support the application and database in the State's environment. Note, this activity was referred to as “Application Integration Training” and “Environment Training” in the ITB.

Preparation and travel activities are described in the subsections below.

#### Training Preparation [**DELIVERABLES** (Agile's D.9, F.7) from the Pricing Tables]

Agile will attempt to use off-the-shelf materials to the extent possible to meet the training needs of the State.

Preparation for training activities includes, but is not limited to:

- Performing a training needs assessment to ensure that Agile's training efforts are prepared in a way that provides all necessary background materials and addresses the needs of the three different user communities. At the time of the Orientation meeting, or prior to that meeting, Agile will work with the State's Program Manager to assess the target audience.
- Making electronic copies of all training materials available to the State.
- As required, write up technical procedures that may be unique to the State, for activities related to technical implementation and support of FleetCommander (i.e., deliverables defined under **DELIVERABLE** F.7 from the Pricing Tables).
- Coordinating dates and times for proposed training activities.
- Making travel arrangements for on-site travel.
- Establishing on-line web conferences and communicating the requisite information to the State's Program Manager in advance of the training activities

#### Training Events

##### On-Site Training Events

One, two-day on-site training event is planned [**DELIVERABLE** (D.5) from the Pricing Tables]. In addition, training will most likely occur while on-site to support key control installation activities in Traverse City and at the Lansing Garage.

The two-day on-site training will cover the topics of System Administration and User Training. A comprehensive walk-through of the FleetCommander application will be performed via a PowerPoint training package (available to the State in electronic form). The State will provide the training facility as well as a projector and a computer with an Internet connection. The date for the two-day on-site training will be selected at the Orientation Meeting. A candidate date for on-site training is three weeks following the Orientation Meeting.



Additional training will occur while on-site to support the initial two key control installations. Agile will train on key control-specific aspects of FleetCommander as well as other topics of interest that can be covered within the time constraints of one full day of training for each trip.

#### On-Line Training Events

In addition to on-site training, Agile will provide on-line training.

On-line training that focuses on subjects that can be covered in 1 – 1 ½ hour blocks of time are most effective.

Agile's on-line training will serve as FleetCommander Technical Implementation training [**DELIVERABLE** (F.7) from the Pricing Tables].

Agile proposes spending up to sixteen hours of on-line training at no additional cost to the State to support various training activities. This is expected to occur over numerous training sessions spanning several weeks or months.

### **5. Configure & Optimize FleetCommander**

Agile will assist the State in configuring FleetCommander and will assist in optimizing the way in which FleetCommander is used in the targeted environments.

Configuration and optimization will continue as the State gets more and more familiar with FleetCommander and as the use of the application grows to more sites. Sixteen hours have been budgeted for this effort [**DELIVERABLE** (D.6) from the Pricing Tables]. This effort will be deemed to have been delivered upon the "go-live" date for the first site.

### **6. Develop Billing Algorithm and Interface Software**

FleetCommander captures valuable information about vehicle usages, including key items such as start times, end times, which vehicle, and which driver. Agile will implement a billing algorithm in to FleetCommander that will generate charges per use that match the State's requirements. And, Agile will develop and implement a process that translates vehicle use data in to a format that can be exported to the State's accounting system. This process will include an intuitive user interface [**DELIVERABLE** (D.2) from the Pricing Tables].

Once developed, Agile will work with the state to develop use cases that span the different scenarios described in the State's billing algorithm. And, Agile will support testing to ensure the as-built functions perform as specified by the State.

### **7. Testing**

Agile will support testing [**DELIVERABLE** (D.3) from the Pricing Tables] in accordance with the approved Test Plan that will address the following areas.

#### Testing

- a. Testing will include:
  - i. Interface testing
  - ii. User acceptance testing
    - 1) User Acceptance Testing – The Contractor will assist VTS in the development of test plans for User Acceptance Testing.
      - a) The Contractor shall assist VTS to schedule, coordinate, monitor, and manage all User Acceptance Testing (UAT) activities.
      - b) The State is responsible for providing end users (from State and local agencies) and subject matter experts to perform the user acceptance testing.
      - c) Users participating in UAT are expected to signoff on the test results at the completion of UAT, providing their recommendation to the State Project Managers for formal approval and readiness for production.



- d) The Contractor shall provide support for the duration of UAT. This support will include both business and technical assistance.
- e) The Contractor shall support the UAT by:
  - Monitoring system performance.
  - Monitoring computer resource usage.
  - Participating in problem review meetings.
  - Investigating problems and identifying potential problems.
  - Answering user questions about the system.
  - Investigating and ensuring user access to the system in the UAT environment.
  - Generally helping the users execute tests and review results.
  - Updating configuration settings as indicated by testing.
- f) The Contractor will have procedures and tools for tracking, reporting, and correcting deficiencies.
- g) The Contractor will resolve all defects and perform all other technical support required to successfully complete this testing.
- h) The test process will be re-used for the move to State hosted resources. Minimal support will be required from Agile in this testing.
- i) Agile will not be able to use its monitoring tools during testing of the State hosted environment.

#### **8. Accept FleetCommander Software**

The State, prior to starting of testing, shall provide Agile with a list of criteria to be used to deem the software system “Accepted”. It is assumed that FleetCommander will be accepted prior to going live at the first site. And, the software will be accepted independent of key control implementation at each site.

In the event that the State identifies anomalies, yet is prepared to go-live, the system may be “Accepted with exceptions”. Together, the State and Agile will develop a plan for resolving all exceptions.

#### **9. Transition FleetCommander to State-Hosted Environment**

Agile will assist the State in facilitating a seamless transition from the Agile-hosted environment to the State-hosted environment. The transition will occur in accordance with the plan documented in the Turnover Report.

#### **10. Implement Key Control**

**Discussion Point:** At the orientation meeting, Agile and the State will determine whether the first key control system will be deployed prior to the transition to the State-hosted environment or after the transition to the State-hosted environment.

##### **Phased Implementation**

It is anticipated that the Lansing Garage and Traverse City sites will receive key control systems initially. Other sites will follow. It is anticipated that schedules for sites after Lansing Garage and Traverse City will be established within forty-five (45) days of the initial site implementations. Agile will order hardware for the targeted sites after installation schedules are defined and specifications for hardware at each site are finalized.

##### **Steps to Implement Key Control**

Regardless of the implementation schedule, the following activities are required in order to implement a key control site:

1. **Install and configure key control communications software and kiosk “web site”** – the kiosk interface is simply a web site that is accessed via the Internet Explorer web browser. Agile will initially establish this in Agile’s hosting environment. And, Agile will assist the State in setting up the kiosk web site in their environment.





## 2. For each site:

- a. **Confirm specification for each site's hardware** – Kiosks and key control boxes come in different configurations. A detailed, proposed list of hardware to be used for the site installations is included in Section C. At the orientation meeting (or prior to that meeting), the specifications for the initial two sites will be confirmed. After the state has had a chance to evaluate the hardware at the initial sites, we will mutually document the desired configurations for remaining sites.
- b. **Communicate site installation requirements to State's facility staff** – Agile will provide the State with installation requirements. The State will coordinate with designated remote site staff to ensure that the facility is prepared to install hardware. The primary requirements are for a flat mounting surface, power, and network connectivity.
- c. **Order hardware** – After specifications are defined and installation dates are set, Agile will order all hardware.
- d. **Receive hardware** – Agile proposes that hardware be shipped directly from the manufacturer to the State's designated site[s]. This will be reviewed during the orientation meeting.
- e. **Prepare Hardware.** – The recipient of the hardware will record serial numbers, model numbers, and apply any property stickers required by the State. Agile will be provided with a list of all hardware and related identifying parameters. In addition, the State will provide network connectivity required to download and install Windows Updates and one third party package (Kioware) onto the kiosks. Agile will provide license keys for Kioware.
- f. **Confirm that all site preparations have been completed** – The State will coordinate with remote site staff to ensure that all site preparations have been completed.
- g. **Install hardware** – The State will install the hardware. Agile will be on-site to support the initial two installations.
- h. **Test system installation** – The State will perform testing in accordance with procedures outlined in the Test Plan.
- i. **Acceptance** – Following successful completion of all tests, the State will accept the installation.

### Acceptance Criteria

Acceptance criteria for Software, Documentation, and Service Deliverables are referenced in Section 1.501.

## **E. System Maintenance and Support Services for Contractor-hosted and State-hosted Systems**

Contractor is fully responsible to manage and administer its Contractor-hosted system. In that regard, the Contractor shall supply software maintenance and support services that provide systems management (e.g., develop and provide corrections, changes, or workarounds for any defects, errors, or malfunctions in the Contractor software and that also provide new versions, updates and/or enhancements to current versions of the Contractor-hosted software), Disaster Recovery (e.g., take all reasonable steps to have data anomalies repaired and data loss in the Contractor-hosted software minimized), Security Administration (e.g., provide a means to monitor and authorize limited access to the system on an as needed basis), and Storage Services (e.g., provide for the repository and retrieval of data accumulated by the VTS Motor Pool inputs).

After the State has assumed the responsibility of hosting the software on the State provided site, the Contractor will provide assistance, as contracted, in maintaining the system.

### **Deliverables**

1. Contractor-hosted Maintenance and Support Services [**DELIVERABLE** (E.1) from the Pricing Tables]
2. State-hosted Maintenance and Support Services [**DELIVERABLE** (E.2) from the Pricing Tables]

### Acceptance Criteria

The services will be accepted in accordance with the requirements of the contract, the Service Deliverable Acceptance Criteria referenced in Section 1.501, and in accordance with the requirements stipulated.



**F. Full Support and Transition to State of Michigan** - Contractor will maintain and support the system until all responsibilities are transferred to the State and the State has accepted the transfer. Activities required to meet this requirement are split between Contractor responsibilities and State responsibilities as outlined below. The State envisions a three-step, three to twelve month process of Contractor support responsibilities transitioned to State responsibilities for the required activities under this transition approach. The Contractor will provide on-site staff, as agreed upon with the State, throughout this milestone. The following plan is applicable:

1. **Three to five months – Contractor Support** - Contractor is fully responsible to maintain and support the Contractor-hosted components of the Motor Pool solution and performs all milestone activities. Contractor will follow the agreed upon plan to begin knowledge transfer to State for all aspects of the Motor Pool solution. Knowledge transfer will be completed by the end of this phase. The State reserves the right to extend the Full Contractor Support service for two additional years.
2. **Six to twelve months – Transition to State Support** - Contractor will assist with transition of the system to State-hosting for the State to assume full responsibility to maintain and support State-hosted components of the Motor Pool solution by the end of this phase.
  - a. The Contractor is performing all milestone activities, and at the same time is training the State staff to gradually take over full support for the activities.
  - b. Contractor will continue to assist the State as the State assumes responsibility for activities.
3. **Thirteen to thirty six months – State Support with Contractor assistance** – The State is fully responsible to support the State-hosted components of the Motor Pool solution and performs all milestone activities with Contractor assistance as needed.
  - a. Provide any updates to Interface coding.
  - b. Provide a Configuration updates to ensure the State is aware of how best to manage the application.
  - c. Provide updates to all documentation necessary for the State to provide full support.

#### **Deliverables:**

##### **1. Turnover Report**

The plan for transitioning will be documented in the Turnover Report [**DELIVERABLE (F.1)** from the Pricing Table].

The Turnover Report will document a step-by-step approach for migrating to the State-hosted environment. The report will include, but not be limited to:

- A description of Agile's role in managing the effort
- A recommendation of how to coordinate the transition amongst all of the State's FleetCommander stakeholders
- A list of recommended transition meetings
- A list of equipment and software required in the target environment
- A description of the technical tasks that much be accomplished to ensure a smooth transition
- A proposed timeline for all transition activities

Note: Turnover activities are also included in the master project schedules.

2. **Transition Installation and Support** - The Contractor will provide transition and installation services for State staff to gradually take over full hosting and support of the system [**DELIVERABLE (F.6)** from the Pricing Tables].

#### Software

During the State's transition, the contractor will provide software and installation services, onsite, onto state provided hardware unless otherwise agreed upon and accepted in this contract. Software includes the COTS software and any necessary 3<sup>rd</sup> party software. Contractor will provide a detailed





description of the infrastructure requirements for the software being used; for example, the database, operating systems (including versions), and hardware required for maximum effectiveness of the software. Describe the proposed architecture, technology standards, and programming environment. Proposed infrastructure requirements will meet or exceed state standards.

#### Hardware

It is the intent of the state to leverage existing contracts for hardware components for this system. The state will, however, seek recommendations and consider purchase of hardware through this contract should it be economically feasible to do so. The state has contracts to purchase various components of hardware. The state also intends to leverage existing mass storage systems already in place including, but may not in the future be limited to: EMC CAS, NAS, SAN and Centera. The contractor may provide recommendations for the purchase and support of hardware recommended by the contractor that is not currently supported by the state through other contracts. The Contractor will provide hardware specifications and requirements for the stipulated environment.

#### Acceptance Criteria

Acceptance criteria for Documentation and Service Deliverables are referenced in Section 1.501.

## **II. Requirements**

**A. Functional Requirements** – Functional requirements for the application are listed in the table of Appendix A.

**B. Technical Requirements** – Technical requirements for the Contractor-hosted solution are found in Appendix B.

### 1.2 Roles and Responsibilities

#### **1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES**

##### **A. Contractor Staff**

Program Management of the motor pool management system project involves planning, organizing, directing, and controlling all activities required to achieve the desired end-state results. A table listing key personnel is included below.

<b>Name</b>	<b>Title</b>
Edwin Smith	Program Manager
Phelps Rogovoy	Implementation Manager
Phillip Groff	Lead Technical Engineer
Matthew Wade	Lead Trainer

Ed Smith will be the Program Manager and ultimately responsible for the entire implementation. All items related to contracts, changes in project scope, and issues concerning project performance will be managed by Mr. Smith.

Phelps Rogovoy will be the Implementation Manager. He will be responsible for day-to-day implementation tasks and for tracking actual progress against the master project schedules. He will be the primary end customer contact.

Phillip Groff will be the Lead Technical Engineer on the project. He will lead System Administration and Development efforts, including the billing interface project. All work activities will be coordinated with the Lead Technical Engineer via the Implementation Manager.

Matthew Wade will lead all training efforts.



The Contractor has provided, and will update when changed, an organizational chart (see Article 1, Attachment B) indicating lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm. This chart will also show lines of authority to the next senior level of management and indicate who within the firm will have prime responsibility and final authority for the work.

Ed Smith is the Single Point of Contact (SPOC). The duties of the SPOC shall include, but not be limited to:

- supporting the management of the Contract,
- facilitating dispute resolution, and
- advising the State of performance under the terms and conditions of the Contract.

The State reserves the right to require a change in the current SPOC if the assigned SPOC is not, in the opinion of the State, adequately serving the needs of the State.

The Contractor will maintain sufficient qualified staffing to satisfy the deliverables of this Statement of Work.

## **B. Work Requirements**

### **1. Location of Work**

- a. The work is to be performed, completed, and managed at the following locations:
  - i. Lansing Garage, State Secondary Complex, Dimondale, MI
  - ii. Traverse City, MI

### **2. Hours of Operation:**

- a. Normal State working hours are 8:00 a.m. to 5:00 p.m. EST, Monday through Friday, with work performed as necessary after those hours to meet project deadlines. No overtime will be authorized or paid.
- b. The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project.
- c. Contractor shall observe the same standard holidays as State employees. The State does not compensate for holiday pay.

### **3. Travel:**

- a. No travel or expenses will be reimbursed. This includes travel costs related to training that are provided to the State by Contractor.
- b. Travel time will not be reimbursed.

### **4. Additional Security and Background Check Requirements:**

The Contractor will present evidence that personnel who intend to work on, or otherwise be associated with the State of Michigan data will complete and submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC). Additionally, Contractors outside of the United States will present evidence that personnel who intend to work on, or otherwise be associated with the State Of Michigan data will show national certification evidencing satisfactory criminal background checks for all staff identified for assignment to this project.

The Contractor will assume responsibility for any costs associated with ensuring their staff meets all requirements.

## **1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES**

The State will provide the following resources for the Contractor's use on this project: Work space for up to two (2) Contractor resources in its building, including equipment and network connections deemed necessary. The State and Contractor will negotiate additional presence elsewhere in the State Offices.



- Minimal clerical support
- Desks
- Telephone line (one)
- Access to a printer
- Access to copiers and fax machine

The State project team will consist of Executive Subject Matter Experts (SME's), project support, and a MDIT and Agency project manager.

#### **Executive Subject Matter Experts**

The Executive Subject Matter Experts representing the business units involved will provide the vision for the business design and how the application shall provide for that vision. They shall be available on an as needed basis. The Executive SME's will be empowered to:

- Resolve project issues in a timely manner
- Review project plan, status, and issues
- Resolve deviations from project plan
- Provide acceptance sign-off
- Utilize change control procedures
- Ensure timely availability of State resources
- Make key implementation decisions, as identified by the Contractor's project manager, within 48-hours of their expected decision date.

<b>Name</b>	<b>Agency/Division</b>	<b>Title</b>
David Ancell	VTS (DMB)	VTS Operations Manager

#### **State Project Manager- (MDIT and Agency)**

MDIT will provide a Project Manager. MDIT will be responsible for the State's infrastructure and work together with the Contractor in determining the system configuration.

The State's Agency Project Manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external contractors
- Facilitate communication between different State departments/divisions
- Provide acceptance and sign-off of deliverable/milestone
- Review and sign-off of timesheets and invoices
- Resolve project issues
- Escalate outstanding/high priority issues
- Utilize change control procedures
- Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements
- Document and archive all important project decisions
- Arrange, schedule and facilitate State staff attendance at all project meetings.

<b>Name</b>	<b>Agency/Division</b>	<b>Title</b>
Sam Roberts	DIT/Agency Services	Senior Project Manager
Joel Scott	VTS (DMB)	Project Manager

MDIT shall provide a Contract Administrator whose duties shall include, but not be limited to, supporting the management of the Contract.

<b>Name</b>	<b>Agency/Division</b>	<b>Title</b>
Mark Lawrence	DIT/Bureau of Strategic Policy	Contract Administrator



## 1.203 OTHER ROLES AND RESPONSIBILITIES (Reserved)

### 1.3 Project Plan

#### 1.301 PROJECT PLAN MANAGEMENT

- I. **Project Plan** - Contractor will provide a Preliminary Project Plan at the Orientation Meeting (see Article 1, Attachment D), including necessary time frames and deliverables for the various stages of the project and the responsibilities and obligations of both the Contractor and the State.
  - A. In particular, the Preliminary Project Plan will include an MS Project plan, approved by MDIT/VTs, which shall include:
    1. A description of the deliverables to be provided under this contract.
    2. Target dates and critical paths for the deliverables.
    3. Identification of roles and responsibilities, including the organization responsible. Contractor is to provide a roles and responsibility matrix
    4. The labor, equipment, materials and supplies required to be provided by the State in meeting the target dates established in the Preliminary Project Plan.
    5. Internal milestones
    6. Task durations
  - B. The Preliminary Project Plan shall include the following deliverable/milestones for which payment shall be made.
    1. Payment to the Contractor will be made upon the completion and acceptance of the deliverable or milestone, not to exceed contractual costs of the phase. A milestone is defined as complete when all of the deliverables within the milestone have been completed.
    2. Failure to provide deliverable/milestone by the identified date shall be subject to liquidated damages as identified in Article 2, Section 2.073.

Note: A Final Project Plan will be required as stated in Article 1, Section 1.401, Work and Deliverables.

#### II. Orientation Meeting

Within ten business days from the execution of the Contract, or as scheduled later by the State, Agile will attend an orientation meeting held at the Vehicle and Travel Services facility in Dimondale, Michigan. The meeting will be a significant event in the life of the project, as it will be an opportunity to present Agile's proposed methodology for meeting the State's objectives. The State will provide comments that will further enhance the effectiveness of Agile's plan.

Three people from Agile will attend the orientation meeting [**DELIVERABLE (A.5)** from the Pricing Tables]. It is anticipated that the meeting may span two days.

In advance of the orientation meeting, Agile will prepare materials to be presented at the meeting. The materials will be in Microsoft PowerPoint format. A synopsis of items to be included in the orientation materials presentation includes, but is not limited to:

1. Introduction of Agile
2. Introduction of Key Personnel
3. FleetCommander Functional Overview
4. FleetCommander Software Technical Overview
5. FleetCommander Hardware Technical Overview
6. FleetCommander Implementation Overview
  - a. Draft Project Plan (MS Project)
7. FleetCommander Transition Approach
8. FleetCommander Support Overview
  - a. End-User (Administrators and Fleet Users)
  - b. IT Staff



9. Agile's Engineering Processes
  - a. Requirements Engineering
  - b. Configuration Control
  - c. Design
  - d. Development
  - e. Training
  - f. Test & Acceptance
  - g. Quality Management – This is an Agile internal overview.
  - h. Risk Management - This is an Agile internal overview.
10. Action Item Review

Agile plans to perform Site Surveys at the initial key control sites and perform a training needs assessment while in Michigan for the orientation meeting so as to avoid scheduling separate trips for these activities.

### III. Performance Review Meetings

Agile will attend a total of three (3) on-site status meetings [**DELIVERABLE** (A.9) from the Pricing Tables]. To the extent possible, these trips will be combined with other already-planned meetings. Candidate dates for on-site meetings will be identified in the Detailed Project Plan. Proposed dates are:

- Thirty (30) days prior to transition to the State's hosted environment
- Thirty (30) days after the first kiosk/key control installation
- One (1) year after contract award

### IV. Project Control

- A. The Contractor will carry out this project under the direction and control of VTS and MDIT.
- B. Within 10 business days of the Contract Orientation Meeting, the Contractor will submit the project plan to the State project manager for final approval.
  1. This project plan will be in agreement with Article 1, Section 1.104 Work and Deliverables, and will include the following:
    - a. The Contractor's project organizational structure.
    - b. The Contractor's staffing table with names and title of personnel assigned to the project. This will be in agreement with staffing proposed. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
    - c. The project breakdown (work plan) showing sub-projects, activities and tasks, and resources required and allocated to each.
    - d. The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the work plan.
    - e. Upon approval of the Project Plan by the State, it will be marked as an Appendix and will be accepted by both parties as a part of the Contract and will be incorporated by reference. The State shall use the Project Plan in its determination of the performance of the Contractor.
- C. The Contractor will manage the project in accordance with the State Unified Information Technology Environment (SUITE) methodology which includes standards for project management, systems engineering, and associated forms and templates which is available at: <http://michigan.gov/suite>
  1. Contractor will use an automated tool for planning, monitoring, and tracking the Contract's progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool shall have the capability to produce:
    - a. Staffing tables with names of personnel assigned to Contract tasks.
    - b. Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all Services to be performed within the next 30 calendar days, updated semi-monthly).
    - c. Updates will include actual time spent on each task and a revised estimate to complete.



- d. Graphs showing critical events, dependencies and decision points during the course of the Contract.
2. Any tool(s) used by Contractor for such purposes will produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

### 1.302 REPORTS

Agile will deliver a total of five (5) status reports [**DELIVERABLE** (A.8) from the Pricing Tables]. Candidate dates for delivery of status reports will be identified in the Detailed Project Plan.

The reports to be provided, together with any reports identified in Section 1.104, Work and Deliverables, will encompass the following:

- A. Written monthly, or agreed upon, summaries or progress reports that outline work accomplished during the reporting period, work to be accomplished during the subsequent reporting period, if known; budget status; problems, real or anticipated, which should be brought to the attention of the State's Project Managers; and notification of any significant deviation from the previously agreed upon work plans. All areas of decision-making that pertain to this contract will be reviewed in detail with the State's Project Managers prior to any final decision. Each monthly progress report will contain the following:
  1. Project schedule status.
    - a. Identify if the project is on schedule or if there is any deviation from the previously agreed upon schedule.
    - b. If the project has deviated from the previously agreed upon schedule, identify the reason for the deviation and the affected areas.
    - c. Identify in detail the steps that will be taken to resolve the deviation.
    - d. Specify any schedule adjustments that have resulted from the deviation.
  2. Activities of the past month (reporting period) - Summarize the actions taken and progress made on the project during the past month.
  3. Activities for the next month - Summarize the actions planned for the next month in order to meet the project delivery and performance schedule requirements.
  4. Deliverables - Identify deliverables delivered to the State and impacted state Agencies in the past month and deliverables planned for delivery to the State and impacted State Agencies in the following month.
  5. Issues - Identify problems, difficulties, either anticipated or encountered, and suggested solutions.
  6. Resolution of prior issues - Identify resolutions to issues identified in previous progress reports.
  7. Percentage completed, and estimates to complete (ETC). Indicate the percentage completed for each task defined in the work plan during the past month, the total percentage completed for each task, total percentage completed for the development phase, and the total percentage completed for the project phase. Indicate ETC for tasks reported.
- B. The Contractor will maintain progress and resource schedules for all tasks under this contract. This documentation will include, as appropriate, progress Gantt charts, resource schedule reports, and progress reports. The Contractor is responsible for tracking hours expended on each task.
- C. All documentation prepared by the Contractor will be submitted to the State as both a printed hard copy and in Microsoft Word electronic format. The State and the Contractor will mutually agree upon alternative electronic formats.
- D. The Contractor's name, logo, or other company identifier may not appear on documentation delivered to the state without written authorization from the Contract Administrator. An exception to this will be transmittal of cover letters showing delivery of said documents and invoices.
- E. All documentation submitted to the State by the Contractor will contain a title page with the following information:
  1. Contract Number
  2. Contract Expiration Date
  3. Task Name (if applicable)





4. Deliverable Name
  5. Name of Contractor
  6. Contractor Project Manager
  7. Date of Deliverable or Report
  8. Time Period of Deliverable or Report
- F. All reports and deliverables to be furnished by the Contractor, as described in Section 1.104, Work and Deliverables, will be delivered to the State's Project Managers for their approval.
- G. The Contractor will inspect all reports and deliverables for accuracy and adequacy prior to delivery.

#### 1.4 Project Management

##### **1.401 ISSUE MANAGEMENT**

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor will maintain an issue log for issues relating to the provision of services under this Contract. The issue management log will be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The issue log will be updated and will contain the following minimum elements:

- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description

Once the Contractor or the State has identified an issue, the Contractor shall follow these steps:

1. Immediately communicate the issue in writing to the State's Project Managers.
2. The Contractor will log the issue into an issue tracking system.
3. Identify what needs to be done and resources needed to correct the issue.
4. Receive approval from the State's Project Managers for appropriate action.
5. Keep State's Project Managers and appropriate parties informed on status of issue based on frequency established by the State's Project Managers
6. At least monthly provide a listing of all issues with their current status, deadlines to correct and actual dates of completion that have occurred to the State's Project Managers.

Issues shall be escalated for resolution from level 1 through level 3, as defined below:

- Level 1 – Business leads
- Level 2 – Project Managers
- Level 3 – Executive Subject Matter Experts (SME's)

##### **1.402 RISK MANAGEMENT**

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project.

The Contractor has an already established risk management methodology, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, monitoring of risk items, and periodic risk assessment reviews. The methodology will be reviewed with the State at the Orientation Meeting.

The methodology shall become the standard to follow for the duration of the contract. The methodology will be updated bi-weekly, or as agreed upon.



The plan will be used throughout all phases of the project and will include, at a minimum, defined processes for:

- a. Risk identification
- b. Risk analysis
- c. Response planning
- d. Monitoring
- e. Control

The Contractor will provide the tool to track risks. The Contractor will work with the State and allow input into the prioritization of risks.

The Contractor is responsible for identification of risks for each phase of the project. Mitigating and/or eliminating assigned risks will be the responsibility of the Contractor. The State will assume the same responsibility for risks assigned to them.

### **1.403 CHANGE MANAGEMENT**

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

If a proposed contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Management and Budget, Purchasing Operations Buyer, who will make recommendations to the Director of Purchasing Operations regarding ultimate approval/disapproval of change request. If the DMB Purchasing Operations Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the Purchasing Operations Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DMB Office of Purchasing Operations, risk non-payment for the out-of-scope/pricing products and/or services.**

Any changes to timelines or project deliverables will be proposed and approved by the State's Project Manager, prior to the change being worked on by the Contractor.

The Contractor will employ change management procedures to handle such things as "out-of-scope" requests or changing business needs of the State while the migration is underway.

The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

## **1.5 Acceptance**

### **1.501 CRITERIA**

The following criteria will be used by the State to determine acceptance of services and/or deliverables provided under this contract. The criteria also cover two aspects of compliance: performance of the Contractor in meeting the requirements in the contract, and contract compliance, both financial and non-financial.

- A. **Document Deliverables** - Documents include, but are not limited to plans, design documents, project schedules, user guides, and procedure manuals.
  1. Documents are dated and in electronic format, compatible with State of Michigan software in accordance with Article 1.302.
  2. Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in the final product.
  3. Draft documents are not accepted as final deliverables.
  4. The documents will be reviewed and accepted in accordance with the requirements of the Contract.





5. The State will review technical documents within 30 days of receipt.
  - a. Approvals will be written and signed by the State's Project Managers with assistance from other State resources and impacted Agencies.
  - b. Unacceptable issues will be documented and submitted to the Contractor.
  - c. After issues are resolved or waived, the Contractor will resubmit documents for approval within 30 days of receipt.
- B. Software Deliverables - Software includes, but is not limited to, software product, development tools, support tools, data migration software, interfaces, integration software, and installation software.
  1. Beta software is not accepted as final deliverable.
  2. The software will be reviewed and accepted in accordance with the requirements of the contract.
  3. VTS and MDIT will review software within a mutually agreed upon timeframe for acceptance of functionality, usability, installation, performance, security, standards compliance, backup/recovery, and operation.
    - a. Approvals will be written and signed by VTS and MDIT Project Managers.
    - b. Unacceptable issues will be documented and submitted to the Contractor.
    - c. After issues are resolved or waived, the Contractor will resubmit software for approval within 30 days of receipt.
  4. Software is installed and configured, with assistance from MDIT, in an appropriate environment (e.g. development, conversion, QA testing, UAT testing, production, and training), after transition of application to the State.
  5. Contingency plans, de- installation procedures, and software are provided by the Contractor and approved by VTS and MDIT Project Managers.
  6. Final acceptance of the software will depend on the successful completion of User Acceptance Testing (UAT).
  7. Testing will demonstrate the system's compliance with the requirements of the contract. At a minimum, the testing will confirm the following:
    - a. Functional - the capabilities of the system with respect to the functions and features described in the contract.
    - b. Performance - the ability of the system to perform the workload throughput requirements. All problems should be completed satisfactorily within the allotted time frame.
  8. VTS and MDIT will review test software, data, and results within a mutually agreed upon timeframe.
    - a. Approvals will be written and signed by VTS and MDIT Project Managers.
    - b. Unacceptable issues will be documented and submitted to the Contractor.
    - c. After issues are resolved or waived, the Contractor will resubmit test software, data and results for approval within 30 days of receipt.
  9. MDIT will review software license agreements within a mutually agreed upon timeframe.
    - a. Approvals will be written and signed by VTS and MDIT Project Managers.
    - b. Unacceptable issues will be documented and submitted to the Contractor.
    - c. After issues are resolved or waived, the Contractor will resubmit the license agreement for approval and final signature by authorized State signatory within 30 days of receipt
- C. Service Deliverables - Services include, but are not limited to training, data migration, help desk, and support.
  1. The services will be accepted in accordance with the requirements of the contract.
  2. The State will review a Request for Approval of Services within 30 days of completion or implementation.
    - a. Approvals will be written and signed by the State's Project Managers.
    - b. Unacceptable issues will be documented and submitted to the Contractor.
    - c. After issues are resolved or waived, the Contractor will resubmit a Request for Approval of Services for approval within 30 days of receipt.
  3. The State will review migrated and converted data within 30 days of completion.
    - a. Approvals will be written and signed by the State's Project Managers.
    - b. Unacceptable issues will be documented and submitted to the Contractor.



- c. After issues are resolved or waived, the Contractor will resubmit a request for approval within 30 days of receipt.
4. State staff are properly trained and supplied with the proper tools and documentation to support, upgrade, monitor, operate, and configure the system in accordance with the requirements of this contract.
5. The Contractor has the tools and connectivity installed, in compliance with State standards, to properly support and monitor the system.

Ongoing Operations - For ongoing activities, such as project status reports and work plan updates, acceptance of the initial report or plan will constitute acceptance of the deliverable, for purposes of services' payment.

## **1.502 FINAL ACCEPTANCE**

1. Final acceptance is expressly conditioned upon completion of ALL deliverables/milestones, completion of ALL tasks in the project plan as approved, completion of ALL applicable inspection and/or testing procedures, and the certification by the State that the Contractor has met the defined requirements.

## **1.6 Compensation and Payment**

### **1.601 COMPENSATION AND PAYMENT**

#### **Method of Payment**

The project will be paid as a firm, fixed priced, deliverable-based contract. Payment will be made based upon acceptance of a deliverable. Deliverables will be either a physical deliverables (e.g., documents) or a service deliverable. Service deliverables will be invoiced on a monthly basis. Physical deliverables will be invoiced upon acceptance of the deliverable. The physical deliverables are those listed in each scope element described in section 1.104, under Deliverables.

The Pricing Table(s) (Attachment A) will be used as the format for submitting pricing information.

#### **Travel**

The State will not pay for any travel expenses, including hotel, mileage, meals, parking, etc. Travel time will not be reimbursed.

If Contractor reduces its price for any of the software or services during the term of this Contract, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State's MDIT Contract Administrator with the reduced prices within fifteen (15) business days of the reduction taking effect.

Contractor agrees all the prices, terms, warranties, and benefits provided in this Contract are comparable to or better than the terms presently being offered by Contractor to any other governmental entity purchasing the same quantity under similar terms. If, during the term of this Contract, Contractor shall enter into contracts with any other governmental entity providing greater benefits or more favorable terms than those provided by this Contract, Contractor shall be obligated to provide the same to the State for subsequent purchases.

### **Statements of Work and Issuance of Purchase Orders**

- Unless otherwise agreed by the parties, each Statement of Work will include:
  1. Background
  2. Project Objective
  3. Scope of Work
  4. Deliverables
  5. Acceptance Criteria
  6. Project Control and Reports
  7. Specific Department Standards
  8. Payment Schedule
  9. Project Contacts



10. Agency Responsibilities and Assumptions
11. Location of Where the Work is to be Performed
12. Expected Contractor Work Hours and Conditions

- The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract. Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

**Invoicing**

Contractor will submit properly itemized invoices to "Bill to" Address on Purchase Order.

Invoices will provide and itemize, as applicable:

- Contract number;
- Purchase Order number
- Contractor name, address, phone number, and Federal Tax Identification Number;
- Description of any commodities/equipment, including quantity ordered;
- Date(s) of delivery and/or date(s) of installation and set up;
- Price for each item, or Contractor's list price for each item and applicable discounts;
- Maintenance charges;
- Net invoice price for each item;
- Shipping costs;
- Other applicable charges;
- Total invoice price; and
- Payment terms, including any available prompt payment discounts.

The State may pay maintenance and support charges on a monthly basis, in arrears. Payment of maintenance service/support of less than one (1) month's duration shall be prorated at 1/30th of the basic monthly maintenance charges for each calendar day.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

**1.602 TAXES****Sales Tax:**

For purchases made directly by the State, the State is exempt from State and Local Sales Tax and such taxes will not be included in the Contractors pricing. Exemption Certificates for State Sales Tax will be furnished upon request.

**Federal Excise Tax:**

The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices will not include the Federal Excise Tax.



1.7 Additional Terms and Conditions Specific to this SOW

**1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW**

**A. State Funding Obligation**

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract.

**B. Directives (reserved)**

**C. Federal Grant Requirements (Reserved)**

**D. Conflict with General Terms and Conditions of Article 2**

In the event that any of the requirements and terms of this Statement of Work (SOW) conflict with general terms and conditions stated in Article 2 of the contract, the requirements and terms of this SOW shall govern with respect to this SOW only.



## Article 1, Attachment A

### Pricing

### Pricing

**Table P: Summary of Project Cost**

Table	Project Activities	Cost (\$)	Comments
A	Planning	\$38,114	
B	Intentionally left blank	\$0	
C	Procurement of Software	\$256,894	
D	Implementation	\$26,437	
E	System Maintenance and Support Services	\$72,720	For three years based on 22.5 % of the total # of Licenses
F	Full Support and Transition to State of Michigan	\$8,438	
G	Intentionally left blank	\$0	Refer to Agile recommendations
	<b>Total Project Cost</b>	<b>\$402,603</b>	

NOTE: Tables A through F reference the alpha-numeric section items corresponding to SOW Deliverables (Article 1, Section 1.104)

**Table A: Planning**

ID	Deliverable Item	Number of hours		Cost
A.1	Detailed Project Plan (A.1)	28		\$2,744
A.2	Intentionally left blank	0		\$0
A.3	Test Plan (A.3)	48		\$4,704
A.4	Training and Knowledge-Transfer Plan (A.4)	18		\$4,234
A.5	Orientation Meeting	116	Section 1.301	\$11,352
A.6	Intentionally left blank	0		\$0
A.7	Intentionally left blank	0		\$0
A.8	Monthly ("tri-weekly") Reports	10	Section 1.302	\$980
A.9	On-Site Visits (status meetings)	384	Section 1.301	\$14,100

**604**

**\$38,114**

**Table B: Intentionally Left Blank**

ID	Deliverable Item	Number of hours		Cost
B.1	Intentionally left blank	0		\$0
		0		\$0

**Table C: Provision of Software**

ID	Deliverable Item	Number of hours	*Unit rate Subject to the % Discount based on volume	Est. Cost
C.1	Provision of Software Licenses (C.1)			
C.1.1	DEQ – 163 vehicles (assume no key boxes)		*\$210/vehicle	\$34,230
C.1.2	Detroit – 40 vehicles		*\$210/vehicle	\$8,400
C.1.3	Escanaba – 10 vehicles		*\$210/vehicle	\$2,100
C.1.4	Flint – 47 vehicles		*\$210/vehicle	\$9,870
C.1.5	Grand Rapids – 24 vehicles		*\$210/vehicle	\$5,040
C.1.6	Jackson – 27 vehicles		*\$210/vehicle	\$5,670
C.1.7	Lansing Downtown – 56 vehicles		*\$210/vehicle	\$11,760
C.1.8	Lansing Garage – 35 vehicles		*\$210/vehicle	\$7,350
C.1.9	Marquette – 6 vehicles (assume no key boxes)		*\$210/vehicle	\$1,260
C.1.10	Saginaw – 16 vehicles		*\$210/vehicle	\$3,360
C.1.11	Traverse City – 14 vehicles		*\$210/vehicle	\$2,940
C.2	Installation of software and hardware (C.2) - if applicable			\$164,914
C.3	Intentionally left blank	0		\$0
		0		\$256,894

**Table D Implementation**

ID	Deliverable Item	Number of hours	Unit Rate	Cost
D.1	Intentionally left blank	0		\$0
D.2	Interface (D.2) (one interface)	38		\$3,724
D.3	Testing (D.3)	92		\$9,016
D.4	Documentation (D.4)	15		\$1,470
D.5	Training (D.5) (~2 days on-site)		\$1,555/day * two persons	\$6,220
D.6	Configuration and implementation of the COTS site	16		\$1,568
D.7	Data conversion (Vehicles and Users)	24		\$2,352
D.8	Intentionally left blank	0		\$0



D.9	Training preparation	21		\$2,087
206.3				\$26,437

**Table E: System Maintenance and Support Services**

ID	Deliverable Item		Unit Rate	Cost
E.1	Contractor-hosted Maintenance and Support (E.1)			\$43,259
E.2	State-hosted Maintenance and Support (E.2)			\$29,462
				<b>\$72,720</b>

**Table F: Full Support and Transition to State of Michigan**

ID	Deliverable Item	Number of hours	Unit Rate	Cost
F.1	Turnover Report (F.1)	22		\$2,156
F.2	Intentionally left blank	0		\$0
F.3	Intentionally left blank	0		\$0
F.4	Intentionally left blank	0		\$0
F.5	Intentionally left blank		\$2,350/day * two persons	\$0
F.6	Transition Installation and Support (F.6)		\$784/day	\$4,704
F.7	Training Preparation for F.5	12		\$1,578
		<b>22</b>		<b>\$8,438</b>

**Table G: Customization Bank of Hours**

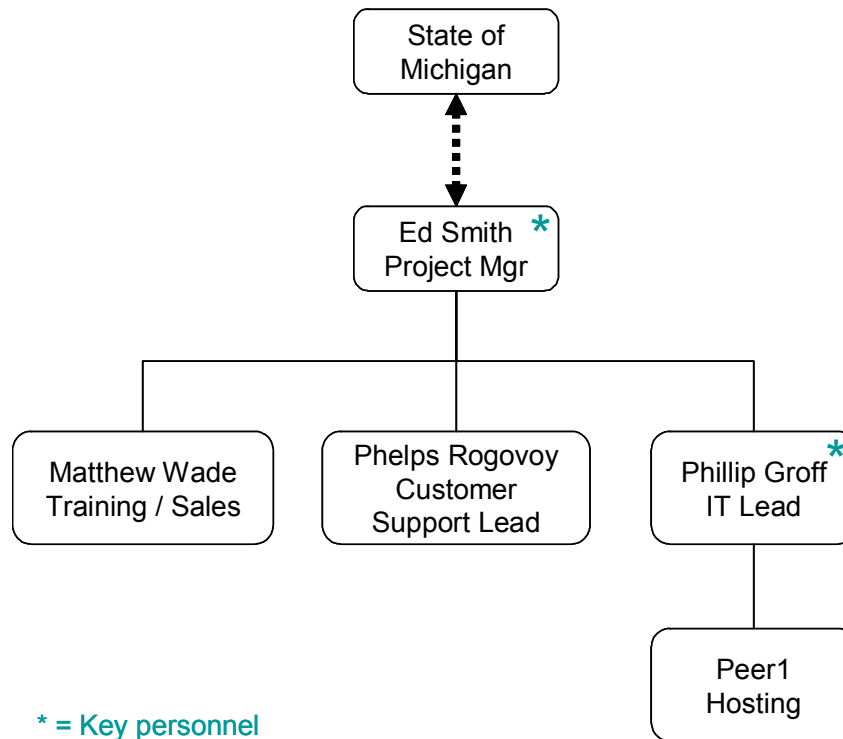
ID	Deliverable Item as needed see not to exceed hourly *rate	Number of Hours	*Rate	Cost
<b>Note:</b> Agile recommends the State plan for if needed:				
	Year 1 customization	Est. 80	\$98	TBD
	Year 2 customization	Est. 80	\$98	TBD
	Year 3 customization	Est. 80	\$98	TBD

**NOTE:**

Agile is providing the hosting environment for three months at no cost to the State. This period shall commence on the date of contract signing. Beyond three months, if needed, Agile's hosting is provided at the rate of \$450/month.



**Article 1, Attachment B**  
Organizational Chart, including Key Personnel



Name
Edwin Smith
Phelps Rogovoy
Phillip Groff
Matthew Wade

Title
Program Manager
Implementation Manager
Lead Technical Engineer
Lead Trainer

Ed Smith will be the Program Manager and ultimately responsible for the entire implementation. All items related to contracts, changes in project scope, and issues concerning project performance will be managed by Mr. Smith.

Phelps Rogovoy will be the Implementation Manager. He will be responsible for day-to-day implementation tasks and for tracking actual progress against the master project schedules. He will be the primary end customer contact.

Phillip Groff will be the Lead Technical Engineer on the project. He will lead System Administration and Development efforts, including the billing interface project. All work activities will be coordinated with the Lead Technical Engineer via the Implementation Manager.

Matthew Wade will lead all training efforts.





**Article 1, Attachment C**  
**Labor Rates**

Table H: Labor Rates

ID	Rated Structure		Unit Rate	Cost
H.1.1	Project Manager - on site		Per day	\$1,855.00
H.1.2	Project manager - off site		Per hour	\$120.00
H.2.1	Technical Lead - on site		Per day	\$1,675.00
H.2.2	Technical Lead - off site		Per hour	\$105.00
H.3.1	Custom Programmer - on site		Per day	\$1,615.00
H.3.2	Custom Programmer - off site		Per hour	\$105.00
H.4.1	Administrator Trainer - on site		Per day	\$1,555.00
H.4.2	Administrator Trainer - off site		Per hour	\$95.00
H.5.1	End User Trainer - on site		Per day	\$1,555.00
H.5.2	End User Trainer - off site		Per hour	\$95.00
H.6.1	Technical Trainer - on site		Per day	\$1,675.00
H.6.2	Technical Trainer - off site		Per hour	105.00
H.7	Application licensing for break even vehicle software system hosting.		Per vehicle	\$210.00*

**\*Unit rate Subject to the % Discount based on volume (See below)**

Vehicles	Proposal Amount	Discount
450	\$210.00	20.00%
500	\$210.00	20.00%
550	\$210.00	20.00%
600	\$210.00	20.00%
650	\$210.00	20.00%
700	\$210.00	20.00%
750	\$210.00	20.00%
800	\$210.00	30.00%
850	\$210.00	30.00%
900	\$210.00	30.00%
950	\$210.00	30.00%
1000	\$210.00	30.00%
1050	\$210.00	40.00%
1100	\$210.00	40.00%
1150	\$210.00	40.00%
1200	\$210.00	40.00%
1250	\$210.00	40.00%
1300	\$210.00	40.00%
1350	\$210.00	40.00%
1400	\$210.00	40.00%
1450	\$210.00	40.00%
1500	\$210.00	40.00%
1550	\$210.00	50.00%
1600	\$210.00	50.00%
1650	\$210.00	50.00%
1700	\$210.00	50.00%
1750	\$210.00	50.00%
1800	\$210.00	50.00%
1850	\$210.00	50.00%
1900	\$210.00	50.00%
1950	\$210.00	50.00%
2000	\$210.00	50.00%



**Article 1, Attachment D**

Project Plan

**Plan will be updated after Orientation meeting)**



ID	Task Name	Duration	Start	Finish	Pred	Resource Names	2nd Half H2	1st Half H1
1	<b>State of Michigan Implementation</b>	858 days	Wed 9/24/08	Mon 3/5/12				
2								
3	<b>Key Milestones</b>	108 days	Wed 9/24/08	Fri 3/6/09				
4	RFP Published	0 days	Wed 9/24/08	Wed 9/24/08		SCM	9/24	
5	Questions Due	0 days	Tue 10/7/08	Tue 10/7/08		Agile	10/7	
6	Answers Received	0 days	Thu 10/16/08	Thu 10/16/08		SCM	10/16	
7	Proposal Submitted	0 days	Fri 10/24/08	Fri 10/24/08		Agile	10/24	
8	Contract Award	0 days	Fri 3/6/09	Fri 3/6/09	'FS+15 days	SCM	3/6	
9								
10	<b>Schedule-Drivers</b>	64 days	Fri 3/6/09	Thu 6/4/09				
11	Contract Award (start of most early activities)	0 days	Fri 3/6/09	Fri 3/6/09	8	SCM	3/6	
12	Transition to State-Hosted Environment	0 days	Thu 6/4/09	Thu 6/4/09	188	SCM		
13								
14	<b>Pre-Award Activities</b>	71.13 days	Mon 10/13/08	Mon 2/2/09				
15	Initiate Pre-Award Activities	0 days	Mon 10/13/08	Mon 10/13/08	IFS+14 days	Agile	10/13	
16	Establish Michigan.agilefleet.com	0.5 days	Tue 10/14/08	Tue 10/14/08	15	Agile Web Te	Agile Web Te	
17	Implement SSL	1 hr	Tue 10/14/08	Tue 10/14/08	16	Agile Web Te	Agile Web Te	
18	Configure Sites (e.g. Saginaw, Detroit)	2 hrs	Wed 10/15/08	Wed 10/15/08	17FS+1 day	Agile Training	Agile Training	
19	Configure Initial Enterprise settings	2 hrs	Wed 10/15/08	Thu 10/16/08	18	Agile Training	Agile Training	
20	Initiate Access to State	0 days	Thu 1/22/09	Thu 1/22/09			1/22	
21	Informal Familiarity Briefing	1 hr	Thu 1/22/09	Thu 1/22/09				
22	Informal Familiarity Briefing	1 hr	Wed 1/28/09	Wed 1/28/09				
23	<b>DELIVERABLE: Preliminary Project Plan (1.3014)</b>	69.13 days	Thu 10/16/08	Mon 2/2/09				
24	<b>Develop Plan (Per Invitation To Bid)</b>	8 days	Thu 10/16/08	Mon 10/27/08	6	Agile Mgt		
25	Description of Deliverables	3 days	Thu 10/16/08	Mon 10/20/08		Agile PM	Agile PM	
26	Roles & Responsibilities Matrix	2 days	Fri 10/17/08	Mon 10/20/08	25SS+1 day	Agile PM	Agile PM	
27	State requirements for labor, equipment, and	2 days	Fri 10/17/08	Mon 10/20/08	26SS	Agile PM	Agile PM	
28	Internal milestones	2 days	Tue 10/21/08	Wed 10/22/08	27	Agile PM	Agile PM	
29	Internal QA Review	1 day	Thu 10/23/08	Thu 10/23/08	28	Agile PM	Agile PM	
30	Revisions	1 day	Fri 10/24/08	Fri 10/24/08	29	Agile PM	Agile PM	
31	Deliver	1 day	Mon 10/27/08	Mon 10/27/08	30	Agile PM	Agile PM	
32	<b>Re-Do Plan for Modified Scope/Deliverables</b>	10.13 days	Fri 1/16/09	Mon 2/2/09				
33	Request from State	0 days	Fri 1/16/09	Fri 1/16/09			1/16	
34	Re-work	10 days	Fri 1/16/09	Fri 1/30/09	33			
35	Deliver Draft	1 hr	Mon 2/2/09	Mon 2/2/09	34			
36								
37	<b>Post-Award Activities</b>	404 days	Mon 10/20/08	Mon 6/7/10				
38	<b>Planning (A)</b>	404 days	Mon 10/20/08	Mon 6/7/10				
39	<b>Orientation Meeting (Due 10 DACA)</b>	19 days	Mon 3/9/09	Thu 4/2/09				
40	Establish date for Kick-Off Meeting	1 day	Tue 3/10/09	Tue 3/10/09	8FS+2 days	SCM	SCM	
41	Prepare objectives/agenda	5 days	Mon 3/9/09	Mon 3/16/09	42SF	Agile	Agile	
42	TRAVEL: On-site at Lansing	1 day	Mon 3/16/09	Tue 3/17/09	43SF	Agile	Agile	
43	On-Site Meeting	2 days	Tue 3/17/09	Wed 3/18/09	8FF+9 days	SCM/Agile	SCM	
44	Prepare minutes	2 days	Thu 3/19/09	Fri 3/20/09	43	Agile	Agile	
45	Deliver	1 day	Mon 3/23/09	Mon 3/23/09	44	Agile	Agile	
46	SCM Review	10 edays	Mon 3/23/09	Thu 4/2/09	45	SCM	SCM	
47	Acceptance	0 days	Thu 4/2/09	Thu 4/2/09	46	SCM	4/2	
48								
49	<b>Status Reports &amp; Meetings</b>	404 days	Mon 10/20/08	Mon 6/7/10				
50	<b>Deliver Reports</b>	198 days	Mon 10/20/08	Thu 8/6/09				
51	Status Report	1 day	Tue 5/5/09	Tue 5/5/09	SF-30 edays	Agile	4/4	
52	Status Report	1 day	Mon 6/8/09	Mon 6/8/09	IFS+22 days	Agile		
53	Status Report	1 day	Wed 7/8/09	Wed 7/8/09	IFS+20 days	Agile		
54	Status Report	1 day	Thu 8/6/09	Thu 8/6/09	IFS+20 days	Agile		
55	Status Report	1 day	Mon 10/20/08	Mon 10/20/08		Agile	Agile	
56								
57	<b>On-Site Meetings</b>	286 days	Wed 4/15/09	Mon 6/7/10				
58	Meeting #1	1 day	Wed 4/15/09	Wed 4/15/09	62	SCM/Agile	SCM	
59	Meeting #2	1 day	Mon 7/20/09	Mon 7/20/09	S+30 edays	SCM/Agile		
60	Meeting #3	1 day	Mon 6/7/10	Mon 6/7/10	S+365 edays	SCM/Agile		
61								
62	<b>Detailed Project Plan</b>	19 days	Thu 3/19/09	Tue 4/14/09				
63	Update Preliminary Project Plan	5 days	Thu 3/19/09	Wed 3/25/09	43	Agile	Agile	
64	Internal QA Review	1 day	Thu 3/26/09	Thu 3/26/09	63	Agile	Agile	
65	Revisions	1 day	Fri 3/27/09	Fri 3/27/09	64	Agile	Agile	
66	Deliver	1 day	Mon 3/30/09	Mon 3/30/09	65	Agile	Agile	
67	SCM Review	15 edays	Mon 3/30/09	Tue 4/14/09	66	SCM	SCM	
68	Acceptance or Comments	0 days	Tue 4/14/09	Tue 4/14/09	67	SCM	4/14	
69								



ID	Task Name	Duration	Start	Finish	Pred	Resource Names	2nd Half H2	1st Half H1
70	<b>Test Plan</b>	<b>24 days</b>	<b>Mon 4/13/09</b>	<b>Thu 5/14/09</b>				
71	Develop Plan[s]	11 days	Mon 4/13/09	Tue 4/28/09	72SF	Agile		Agile
72	Internal QA Review	1 day	Tue 4/28/09	Wed 4/29/09	73SF	Agile		Agile
73	Revisions	1 day	Wed 4/29/09	Thu 4/30/09	74SF	Agile		Agile
74	Deliver	1 day	Thu 4/30/09	Thu 4/30/09	75FF+20 days	Agile		Agile
75	SCM Review	10 days	Fri 5/1/09	Thu 5/14/09	74	SCM		SCM
76	Acceptance or Comments	0 days	Thu 5/14/09	Thu 5/14/09	75	SCM		
77								
78	<b>Training and Knowledge Transfer Plan</b>	<b>57 days</b>	<b>Tue 3/17/09</b>	<b>Thu 6/4/09</b>				
79	<b>System Inputs and Outputs</b>	<b>57 days</b>	<b>Tue 3/17/09</b>	<b>Thu 6/4/09</b>				
80	<b>Training Needs Analysis</b>	<b>3 days</b>	<b>Tue 3/17/09</b>	<b>Thu 3/19/09</b>				
81	Assessment of Audience (at Orientation)	1 day	Tue 3/17/09	Tue 3/17/09	43SS	Agile		Agile
82	Assessment of resources & project	1 day	Thu 3/19/09	Thu 3/19/09	44SS+2 days	Agile		Agile
83	Develop Plan	10 days	Wed 4/15/09	Wed 4/29/09	84SF,82	Agile		Agile
84	Internal QA Review[s]	2 days	Wed 4/29/09	Fri 5/1/09	85SF	Agile		Agile
85	Revisions	2 days	Fri 5/1/09	Tue 5/5/09	86SF	Agile		Agile
86	Deliver	1 day	Tue 5/5/09	Tue 5/5/09	87FF+15 days	Agile		Agile
87	SCM Review	30 edays	Tue 5/5/09	Thu 6/4/09	86	SCM		SCM
88	Acceptance	0 days	Thu 6/4/09	Thu 6/4/09	+10 days,87	SCM		
89								
90	<b>Turnover Report</b>	<b>18.25 days</b>	<b>Fri 4/3/09</b>	<b>Wed 4/29/09</b>				
91	Develop Report	5 days	Fri 4/3/09	Thu 4/9/09	47	Agile		Agile
92	Internal QA Review	2 days	Fri 4/10/09	Mon 4/13/09	91	Agile		Agile
93	Revisions	1 day	Tue 4/14/09	Tue 4/14/09	92	Agile		Agile
94	Deliver	2 hrs	Wed 4/15/09	Wed 4/15/09	93	Agile		Agile
95	SCM Review	10 days	Wed 4/15/09	Wed 4/29/09	94	SCM		SCM
96	Acceptance or Comments	0 days	Wed 4/29/09	Wed 4/29/09	95	SCM		SCM
97								
98								
99	<b>Implementation</b>	<b>358.5 days</b>	<b>Tue 10/14/08</b>	<b>Mon 3/29/10</b>				
100	<b>Provision of Software License</b>	<b>358.5 days</b>	<b>Tue 10/14/08</b>	<b>Mon 3/29/10</b>				
101	<b>Installation of Software and Hardware</b>	<b>358.5 days</b>	<b>Tue 10/14/08</b>	<b>Mon 3/29/10</b>				
102	<b>Establish FleetCommander in Agile's Env</b>	<b>0 days</b>	<b>Tue 10/14/08</b>	<b>Tue 10/14/08</b>				
103	Install FleetCommander	0 days	Tue 10/14/08	Tue 10/14/08	16	Agile		Agile
104								
105	<b>Collect &amp; Import Michigan Fleet Data</b>	<b>295 days</b>	<b>Thu 1/22/09</b>	<b>Mon 3/29/10</b>				
106	<b>Site Logo</b>	<b>37 days</b>	<b>Thu 1/22/09</b>	<b>Mon 3/16/09</b>				
107	Communicate site logo spec to SCM	1 day	Thu 1/22/09	Thu 1/22/09		Agile		Agile
108	Receive site logo from SCM	5 days	Fri 3/6/09	Thu 3/12/09	8,107	SCM		SCM
109	Import site logo	2 days	Fri 3/13/09	Mon 3/16/09	108	Agile		Agile
110	<b>Data Import</b>	<b>295 days</b>	<b>Thu 1/22/09</b>	<b>Mon 3/29/10</b>				
111	<b>Vehicle Data</b>	<b>295 days</b>	<b>Thu 1/22/09</b>	<b>Mon 3/29/10</b>				
112	Communicate data import work	0 days	Thu 1/22/09	Thu 1/22/09	43	Agile		Agile
113	<b>Data Import #1 (first 2 sites)</b>	<b>28 days</b>	<b>Fri 3/6/09</b>	<b>Tue 4/14/09</b>	<b>112</b>			
114	Receive first data set from	10 days	Fri 3/6/09	Thu 3/19/09	112,11	SCM		SCM
115	Review and provide comm	5 days	Fri 3/20/09	Thu 3/26/09	114	Agile		Agile
116	Receive cleaned up data set	10 days	Fri 3/27/09	Thu 4/9/09	115	SCM		SCM
117	Import data	3 days	Fri 4/10/09	Tue 4/14/09	116	Agile		Agile
118	<b>Data Import #2 (remaining site)</b>	<b>28 days</b>	<b>Mon 10/12/09</b>	<b>Thu 11/19/09</b>				
119	Receive data set from SCM	10 days	Mon 10/12/09	Fri 10/23/09	118+180 edays	SCM		SCM
120	Review and provide comm	5 days	Mon 10/26/09	Fri 10/30/09	119	Agile		Agile
121	Receive second/final data	10 days	Mon 11/2/09	Mon 11/16/09	120	SCM		SCM
122	Import data	3 days	Tue 11/17/09	Thu 11/19/09	121	Agile		Agile
123	<b>Data Import #3 (remaining site)</b>	<b>28 days</b>	<b>Thu 2/18/10</b>	<b>Mon 3/29/10</b>				
124	Receive data set from SCM	10 days	Thu 2/18/10	Wed 3/3/10	123+90 edays	SCM		SCM
125	Review and provide comm	5 days	Thu 3/4/10	Wed 3/10/10	124	Agile		Agile
126	Receive second/final data	10 days	Thu 3/11/10	Wed 3/24/10	125	SCM		SCM
127	Import data	3 days	Thu 3/25/10	Mon 3/29/10	126	Agile		Agile
128								
129	<b>Documentation</b>	<b>60 days</b>	<b>Thu 1/22/09</b>	<b>Thu 4/16/09</b>				
130	Make User Guide Available On-Line	1 day	Thu 3/26/09	Thu 3/26/09	130FS+5 days	Agile		Agile
131	Make Sys Admin Manual Available On-Line	1 day	Thu 1/22/09	Thu 1/22/09	43	Agile		Agile
132	Make Training ppt Available On-Line	1 day	Thu 3/26/09	Thu 3/26/09	132FS+5 days	Agile		Agile
133	Develop IT Startup/Shutdown/Backup	1 day	Thu 4/16/09	Thu 4/16/09	133FS+20 days	Agile		Agile
134								



ID	Task Name	Duration	Start	Finish	Pred	Resource Names	2nd Half H2	1st Half H1
135	<b>Training</b>	<b>40.38 days</b>	<b>Fri 3/13/09</b>	<b>Fri 5/8/09</b>				
136	Training Preparation	10 days	Thu 3/19/09	Wed 4/1/09	43	Agile		Agile
137	<b>Fleet User Training</b>	<b>0.25 days</b>	<b>Thu 4/9/09</b>	<b>Thu 4/9/09</b>				
138	On-site Meeting	2 hrs	Thu 4/9/09	Thu 4/9/09	16FS+5 days	SOM/Agile		SOM
139	<b>Fleet Administrator Training</b>	<b>36.5 days</b>	<b>Fri 3/13/09</b>	<b>Mon 5/4/09</b>		<b>Agile</b>		
140	On-site Meeting	14 hrs	Thu 4/9/09	Fri 4/10/09	138			
141	<b>On-Line Meetings</b>	<b>36.5 days</b>	<b>Fri 3/13/09</b>	<b>Mon 5/4/09</b>				
142	Session	1.5 hrs	Fri 3/13/09	Fri 3/13/09	1FS+5 days	SOM/Agile		SOM
143	Session	1.5 hrs	Fri 3/20/09	Fri 3/20/09	12FS+5 days	SOM/Agile		SOM
144	Session	1.5 hrs	Fri 3/27/09	Fri 3/27/09	13FS+5 days	SOM/Agile		SOM
145	Session	1.5 hrs	Fri 4/3/09	Fri 4/3/09	14FS+5 days	SOM/Agile		SOM
146	Session	1.5 hrs	Fri 4/10/09	Fri 4/10/09	15FS+5 days	SOM/Agile		SOM
147	Session	1.5 hrs	Fri 4/17/09	Mon 4/20/09	16FS+5 days	SOM/Agile		SOM
148	Session	1.5 hrs	Mon 4/27/09	Mon 4/27/09	17FS+5 days	SOM/Agile		SOM
149	Session	1.5 hrs	Mon 5/4/09	Mon 5/4/09	18FS+5 days	SOM/Agile		SOM
150	<b>Technical Implementation Training</b>	<b>10.38 days</b>	<b>Fri 4/24/09</b>	<b>Fri 5/8/09</b>				
151	<b>On-Line Meetings</b>	<b>10.38 days</b>	<b>Fri 4/24/09</b>	<b>Fri 5/8/09</b>				
152	Session	1.5 hrs	Fri 4/24/09	Fri 4/24/09	13FS+5 days	SOM/Agile		SOM
153	Session	1.5 hrs	Fri 5/8/09	Fri 5/8/09	19FS+10 days	SOM/Agile		SOM
154								
155	<b>Configure &amp; Optimize FleetCommander</b>	<b>21.25 days</b>	<b>Fri 3/13/09</b>	<b>Mon 4/13/09</b>				
156	Configuration Session	4 hrs	Fri 3/13/09	Fri 3/13/09	142	SOM/Agile		SOM
157	Configuration Session	4 hrs	Fri 3/20/09	Fri 3/20/09	143	SOM/Agile		SOM
158	Configuration Session	4 hrs	Fri 3/27/09	Mon 3/30/09	144	SOM/Agile		SOM
159	Configuration Session	4 hrs	Fri 4/10/09	Mon 4/13/09	146	SOM/Agile		SOM
160								
161	<b>Interface Development (Billing Algorithm)</b>	<b>56 days</b>	<b>Wed 3/25/09</b>	<b>Fri 6/12/09</b>				
162	Receipt of Spec (date tbd)	0 days	Wed 3/25/09	Wed 3/25/09	13FS+5 days	Agile		3/2
163	Receipt of Sample Reports & Accts	0 days	Wed 3/25/09	Wed 3/25/09	162	SOM		3/2
164	Requirements Elicitation	5 days	Thu 3/26/09	Wed 4/1/09	163	SOM/Agile		SOM
165	Development	10 days	Thu 4/2/09	Wed 4/15/09	164	Agile		Agile
166	Internal review	2 days	Thu 4/16/09	Fri 4/17/09	165	Agile		Agile
167	Revisions	1 day	Mon 4/20/09	Mon 4/20/09	166	Agile		Agile
168	Deliver	1 day	Tue 4/21/09	Tue 4/21/09	167	Agile		Agile
169	SOM Review	10 edays	Tue 4/21/09	Fri 5/1/09	168	SOM		SOM
170	Acceptance or comments	0 days	Fri 5/1/09	Fri 5/1/09	169	SOM		5
171								
172	Testing (detailed events after Test I	20 days	Fri 5/15/09	Fri 6/12/09	76	Agile		
173								
174	Acceptance	0 days	Fri 6/12/09	Fri 6/12/09	172	SOM		
175								
176	<b>Transition Support</b>	<b>51 days</b>	<b>Sun 4/5/09</b>	<b>Tue 6/16/09</b>				
177	<b>Implementation in SOMs environm</b>	<b>51 days</b>	<b>Sun 4/5/09</b>	<b>Tue 6/16/09</b>				
178	<b>Setup Site</b>	<b>20 days</b>	<b>Sun 4/5/09</b>	<b>Fri 5/1/09</b>				
179	SOM Infrastructure and se	0 days	Sun 4/5/09	Sun 4/5/09	15S+30 edays	SOM		4/5
180	Install Test instances of F	10 days	Mon 4/6/09	Fri 4/17/09	179	SOM		SOM
181	Dry-run Site Transitions (n	10 days	Mon 4/20/09	Fri 5/1/09	180	SOM		SOM
182	Establish target cut-over date	1 day	Mon 5/4/09	Mon 5/4/09	181	SOM		SOM
183	Communicate to user commun	30 days	Tue 5/5/09	Tue 6/16/09	182	SOM		SOM
184	<b>Transition Planning Meetings</b>	<b>40 days</b>	<b>Sun 4/5/09</b>	<b>Mon 6/1/09</b>				
185	Higher-level	30 edays	Sun 4/5/09	Tue 5/5/09	179	SOM/Agile		SOM
186	Detailed	25 edays	Tue 5/5/09	Sat 5/30/09	185	SOM/Agile		SOM
187	Go/No-Go Decision Point	1 day	Mon 6/1/09	Mon 6/1/09	186	SOM/Agile		SOM
188	Transition to Michigan's dedica	1 day	Thu 6/4/09	Thu 6/4/09	17FS+2 days	SOM		SOM
189	Post mortem meeting	1 day	Fri 6/5/09	Fri 6/5/09	188	SOM/Agile		SOM
190								
191								
192	<b>Install Kiosk and KeyBox Hardware</b>	<b>249 days</b>	<b>Thu 3/19/09</b>	<b>Thu 3/18/10</b>				
193	<b>Initial Sites (Lansing Garage and Traverse City)</b>	<b>69 days</b>	<b>Thu 3/19/09</b>	<b>Wed 6/24/09</b>				
194	Site Surveys (after orientation)	0.5 days	Thu 3/19/09	Thu 3/19/09	43	SOM/Agile		SOM
195	Communicate SOM infrastructure needs	1 day	Thu 3/19/09	Fri 3/20/09	194	Agile		Agile
196	Coordinate installation dates	2 hrs	Fri 3/20/09	Fri 3/20/09	195	Agile		Agile
197	Finalize Specification	1 day	Thu 3/19/09	Fri 3/20/09	194	Agile		Agile
198	Finalize Bill of Materials	1 day	Fri 3/20/09	Mon 3/23/09	197	Agile		Agile
199	<b>Purchase Spare Kiosk</b>	<b>23 days</b>	<b>Mon 3/23/09</b>	<b>Thu 4/23/09</b>				
200	Order	2 days	Mon 3/23/09	Wed 3/25/09	198			
201	Lead Time	20 days	Wed 3/25/09	Wed 4/22/09	200			
202	Receipt	0 days	Wed 4/22/09	Wed 4/22/09	201			
203	Check-out	1 day	Wed 4/22/09	Thu 4/23/09	202			



ID	Task Name	Duration	Start	Finish	Pred	Resource Names	2nd Half H2	1st Half H1
204	<b>Purchase Initial Hardware (Lansing Garage,</b>	<b>33 days</b>	<b>Mon 3/23/09</b>	<b>Thu 5/7/09</b>				
205	<b>Key Boxes</b>	<b>33 days</b>	<b>Mon 3/23/09</b>	<b>Thu 5/7/09</b>				
206	Order	2 days	Mon 3/23/09	Wed 3/25/09	198	Agile		Agile
207	Lead Time	42 edays	Wed 3/25/09	Wed 5/6/09	206	Agile		Agile
208	Receipt	0 days	Wed 5/6/09	Wed 5/6/09	207	Agile		Agile
209	Check-out	1 day	Wed 5/6/09	Thu 5/7/09	208	Agile		Agile
210	<b>Kiosks</b>	<b>23 days</b>	<b>Mon 3/23/09</b>	<b>Thu 4/23/09</b>				
211	Order	2 days	Mon 3/23/09	Wed 3/25/09	198	Agile		Agile
212	Lead Time	28 edays	Wed 3/25/09	Wed 4/22/09	211	Agile		Agile
213	Receipt	0 days	Wed 4/22/09	Wed 4/22/09	212	Agile		Agile
214	Check-out	1 day	Wed 4/22/09	Thu 4/23/09	213	Agile		Agile
215	<b>Lansing Installation</b>	<b>27 days</b>	<b>Thu 5/14/09</b>	<b>Tue 6/23/09</b>				
216	Ship Hardware to Site	4 days	Thu 5/14/09	Wed 5/20/09	14FS+5 days	Agile		Agile
217	Travel	1 day	Thu 5/28/09	Fri 5/29/09	16FS+5 days	Agile		Agile
218	Wait till at least 2 weeks after State host	0 days	Thu 6/18/09	Thu 6/18/09	18FS+10 days	Agile		Agile
219	Installation	1 day	Fri 6/19/09	Fri 6/19/09	218,216,217	Agile		Agile
220	Acceptance Testing	4 hrs	Mon 6/22/09	Mon 6/22/09	219	SCM/Agile		Agile
221	On-site Monitoring	1 day	Mon 6/22/09	Tue 6/23/09	220	Agile		Agile
222	On-site Training	1 day	Mon 6/22/09	Tue 6/23/09	220	SCM/Agile		Agile
223	<b>Traverse City Installation</b>	<b>28.5 days</b>	<b>Thu 5/14/09</b>	<b>Wed 6/24/09</b>				
224	Ship Hardware to Site	4 days	Thu 5/14/09	Wed 5/20/09	14FS+5 days	Agile		Agile
225	Travel (1 week after Lansing)	1 day	Fri 6/5/09	Mon 6/8/09	17FS+5 days	Agile		Agile
226	Wait till day 2 days after Lansing Installa	0 days	Mon 6/22/09	Mon 6/22/09	220	Agile		Agile
227	Installation	1 day	Mon 6/22/09	Tue 6/23/09	226,224,225	Agile		Agile
228	Acceptance	4 hrs	Tue 6/23/09	Tue 6/23/09	227	SCM/Agile		Agile
229	On-site Monitoring	1 day	Wed 6/24/09	Wed 6/24/09	228	Agile		Agile
230	On-site Training	1 day	Wed 6/24/09	Wed 6/24/09	228	SCM/Agile		Agile
231								
232	Additional Site Installations (SOM to Provide Sch	180 days	Thu 6/25/09	Thu 3/18/10	193	Agile		
233								
234								
235	<b>Hosting</b>	<b>65 days</b>	<b>Fri 3/6/09</b>	<b>Sat 6/6/09</b>				
236	Month 1	30 edays	Fri 3/6/09	Sun 4/5/09	8	Agile		Agile
237	Month 2	31 edays	Sun 4/5/09	Wed 5/6/09	236	Agile		Agile
238	Month 3	31 edays	Wed 5/6/09	Sat 6/6/09	237	Agile		Agile
239	Decommission Agile-Hosted environment	0 days	Sat 6/6/09	Sat 6/6/09	238			
240								
241	<b>Software Maintenance and Tech Support</b>	<b>750 days</b>	<b>Fri 3/6/09</b>	<b>Mon 3/5/12</b>				
242	Year 1	365 edays	Fri 3/6/09	Sat 3/6/10	8	Agile		
243	Year 2	365 edays	Sat 3/6/10	Sun 3/6/11	242	Agile		
244	Year 3	365 edays	Sun 3/6/11	Mon 3/5/12	243	Agile		



**Article 1, Attachment E**  
Service Level Requirements

Contractors will establish Service Level Agreements (SLAs) with the State. The SLAs will specify:

- minimum acceptable requirements for system uptime and availability,
- system responsiveness,
- number and expertise of technical support staff,
- back-up schedules,
- software updates,
- system monitoring and maintenance,
- responsiveness of technical support staff when problems are encountered (including help desk response time, time to answer, time to resolution, time to escalation, etc.)
- problem management and escalation procedures,

Contractors must respond to the following anticipated Service Level Requirements:

Requirement 1	Motor Management System Availability
Description	The primary Motor Management system shall be available 24 hours a day, every day of the year with no more than 1.0% down time during any one-week period based on a schedule of 24 (twenty-four) hours/7 (seven) days a week. Scheduled maintenance not included.
Measurement	Accessible hours 7X24, less scheduled outages as agreed by State. Total accessible hours divided by total hours in measurement period, excluding force majeure as defined in Article 2, Terms and Conditions.
Target Performance	100% compliance with target service level
Period of Review	Monthly

Requirement 2	Failure of Motor Management System
Description	The Mean Time Between Failures for the primary Motor Management system shall exceed 500 hours.
Measurement	Accessible hours 7X24, less scheduled outages as agreed by State. Measurement of total time between failures over the time period, excluding force majeure as defined in Article 2, Terms and Conditions.
Target Performance	100% compliance with target service level.
Period of Review	Monthly

Requirement 3	Support Response/Resolution
Description	<p>Once operational, <b>Contractor will respond to calls for system support as follows:</b></p> <p><b>Critical</b> (System outage) – Contractor response within 30 minutes, plan of action within 1 hour, resolved within 2 hours.</p> <p><b>High</b> (Major modules down, some services available) Contractor response within 2 hours, resolved within 8 hours.</p> <p><b>Moderate</b> (Majority of application is up, some services down) Contractor response within 4 hours, resolved within 24 hours.</p>





	<b>Low</b> (Limited problem with no major disruptive ramifications) Contractor response by next day, resolved within 48 hours.
<b>Measurement</b>	Total number of trouble tickets closed within the severity level time frame divided by total number of tickets closed.
<b>Target Performance</b>	99% compliance with target service level.
<b>Period of Review</b>	Monthly

<b>Requirement 4</b>	<b>Telephone Support</b>
<b>Description</b>	Ninety percent of all calls for support will be answered within two minutes during standard business hours of 7:30 a.m. - 5:30 p.m. Eastern by a live person.
<b>Measurement</b>	Number of calls answered / total calls.
<b>Target Performance</b>	99% compliance with target service level.
<b>Period of Review</b>	Monthly

<b>Requirement 5</b>	<b>Access Control</b>
<b>Description</b>	The Contractor shall limit information system access, both physical and through application, to authorized users, processes acting on behalf of authorized users, or devices (including other information systems) and to the types of transactions and functions that authorized users are permitted to exercise. This may be supplemented via risk awareness training and/or through security controls.
<b>Measurement</b>	Security Disclosure and Acceptable Use Agreements for all employees and third-party individuals, with access to SOM assets, are to be signed, maintained and reviewed on a yearly basis.
<b>Target Performance</b>	100% compliance with target service level.
<b>Period of Review</b>	Annually

<b>Requirement 6</b>	<b>Continuity Planning</b>
<b>Description</b>	The Contractor will establish, maintain, and effectively implement plans for emergency response, backup operations, database restores, and post-disaster recovery for organizational information systems to ensure the availability of critical information resources and continuity of operations in emergency situations.
<b>Measurement</b>	Test the contingency plan at least annually and initiate necessary corrective actions.
<b>Target Performance</b>	100% compliance with target service level.
<b>Period of Review</b>	Annually

<b>Requirement 7</b>	<b>Incident Response</b>
<b>Description</b>	<p>The Contractor will: (i) establish an operational incident handling capability for organizational information systems that includes adequate preparation, detection, analysis, containment, recovery, and user response activities; and (ii) track, document, and report incidents to appropriate organizational officials and/or authorities.</p> <p>In the case of a Data Breach, the State of Michigan will be notified immediately upon discovery of a breach which involves SOM information. Continuing investigations conducted by the Contractor are to be summarized and outcomes</p>



	reported in writing and by email to the Contract Compliance Inspector within 5 working days of a security breach involving SOM data being discovered.
<b>Measurement</b>	Test the response plan at least annually and initiate necessary corrective actions.
<b>Target Performance</b>	100% compliance with target service level.
<b>Period of Review</b>	Annually

<b>Requirement 8</b>	<b>Maintenance</b>
<b>Description</b>	The Contractor will: (i) perform periodic and timely maintenance on organizational information systems; and (ii) provide effective controls on the tools, techniques, mechanisms, and personnel used to conduct information system maintenance.
<b>Measurement</b>	Provide monthly reports to the State that depict system performance, availability, and utilization (processor, memory and disk, etc.) and utilization trends, along with written recommendations as to whether system configuration changes or upgrades are required or not.
<b>Target Performance</b>	100% compliance with target service level.
<b>Period of Review</b>	Annually



## **Article 2 – General Terms and Conditions**

### **2.010 Contract Structure and Administration**

#### **2.011 Definitions**

Capitalized terms used in this Contract (including its Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) “Days” means calendar days unless otherwise specified.
- (b) “24x7x365” means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) “Additional Service” means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. “Additional Service” does not include New Work.
- (d) “Amendment Labor Rates” means the schedule of fully-loaded hourly labor rates attached as

#### **Article 1, Attachment C.**

- (e) “Audit Period” has the meaning given in **Section 2.111**.
- (f) “Business Day,” whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
- (g) “Incident” means any interruption in Services.
- (h) “Business Critical” means any function identified in any Statement of Work as Business Critical.
- (i) “Deliverable” means physical goods and/or commodities as required or identified by a Statement of Work
- (j) “Key Personnel” means any Personnel designated in **Article 1, Section 1.201 and/or Attachment B**, as Key Personnel.
- (k) “New Work” means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Contractor with additional consideration. “New Work” does not include Additional Service.
- (l) “Services” means any function performed for the benefit of the State.
- (m) “State Location” means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (n) “Subcontractor” means a company Contractor delegates performance of a portion of the Services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.
- (o) “Work in Process” means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

#### **2.012 Attachments and Exhibits**

All Attachments and/or Exhibits attached to any, and all Statement(s) of Work, attached to, or referencing this Contract, are incorporated in their entirety into, and form part of, this Contract.

#### **2.013 Statements of Work**

- (a) The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract, or an amendment to this Contract (see 2.106). Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.
- (b) Unless otherwise agreed by the parties, each Statement of Work (as defined in Article 1) will include, or incorporate by reference to the appropriate Contract Article 1 Attachment containing, the following information:
  - a description of the Services to be performed by Contractor under the Statement of Work;



- a project schedule (including the commencement and completion dates for all tasks, subtasks (for all projects of sufficient duration and complexity to warrant sub task breakdown), and Deliverables;
- a list of the Deliverables to be provided, if any, including any particular specifications and acceptance criteria for such Deliverables, and the dates on which the Deliverables are scheduled to be completed and delivered to the State;
- all Deliverable price schedules and other charges associated with the Statement of Work, the overall fixed price for such Statement of Work and any other appropriate pricing and payment terms;
- a specification of Contractor's and the State's respective performance responsibilities with respect to the performance or completion of all tasks, subtasks and Deliverables;
- a listing of any Key Personnel of Contractor and/or its Subcontractors for that Statement of Work and any future Statements of Work;
- any other information or provisions the parties agree to include.

(c) Reserved.

(d) The initial Statements of Work, as of the Effective Date, are attached to this Contract.

#### 2.014 Issuing Office

This Contract is issued by the Department of Management and Budget, Office of Purchasing Operations and Department of Information Technology (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **Purchasing Operations is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contractor Administrator within the Office of Purchasing Operations for this Contract is:

##### **Douglas Collier**

Office of Purchasing Operations  
Department of Management and Budget  
Mason Bldg, 2nd Floor  
PO Box 30026  
Lansing, MI 48909  
Email: 517-335-4804  
Phone: collierd1@michigan.gov

#### 2.015 Contract Compliance Inspector

Upon receipt at Purchasing Operations of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with (insert the end using agency), will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Office of Purchasing Operations.** The Contract Compliance Inspector for this Contract is:

Mark Lawrence	DIT/Strategic Policy Contracts	DIT Contract Administrator
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#### 2.016 Project Manager

The following individual will oversee the project:

Sam Roberts	DIT/Agency Services	Project Manager
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#### **2.020 Contract Objectives/Scope/Background**



## **2.021 Background**

Refer to Section 1 1.002 BACKGROUND

## **2.022 Purpose**

Refer to Section 1 1.00 PROJECT REQUEST

## **2.023 Objectives and Scope**

This solution will accommodate the movement and assignment of as many as 1000 vehicles in multiple locations. The solution is planned to be interconnected via an automated reservation, pick up, and return vehicle system that will be integrated with automated key boxes, including the distribution of fuel cards. The user would enter a reservation code to access the vehicle key and then enter mileage information upon return. Each location will operate as a separate entity and be interfaced with the existing vehicle management system.

## **2.024 Interpretation**

Sections 2.021 through 2.023 are intended to provide background and context for this Contract and are not intended to expand the scope of the obligations under this Contract or to alter the plain meaning of the terms and conditions of this Contract. However, to the extent the terms and conditions of this Contract are unclear or otherwise ambiguous, such terms and conditions are to be interpreted and construed in light of the provisions of this Section.

## **2.025 Form, Function and Utility**

If the Contract is for use of more than one State agency and if the Deliverable/Service does not meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

### **2.030 Legal Effect and Term**

## **2.031 Legal Effect**

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

## **2.032 Contract Term**

This Contract is for a period of three (3) years commencing on the date that the last signature required to make the Contract enforceable is obtained. All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

## **2.033 Renewal(s)**

This Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. The Contract may be renewed for up to Two (2) additional One (1) year periods. Successful completion of negotiations surrounding the terms of the extension, will be a pre-requisite for the exercise of any option year.

### **2.040 Contractor Personnel**

## **2.041 Contractor Personnel**

(a) Personnel Qualifications. All persons assigned by Contractor to the performance of Services under this Contract shall be employees of Contractor or its majority-owned (directly or indirectly, at any tier)



subsidiaries (or a State-approved Subcontractor) and shall be fully qualified to perform the work assigned to them. Contractor shall include a similar provision in any subcontract entered into with a Subcontractor. For the purposes of this Contract, independent contractors engaged by Contractor solely in a staff augmentation role shall be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent contractor relationship.

(b) Key Personnel

(i) In discharging its obligations under this Contract, Contractor shall provide the named Key Personnel on the terms indicated. **Article 1, Attachment B** provides an organization chart showing the roles of certain Key Personnel, if any.

(ii) Key Personnel shall be dedicated as defined in **Article 1, Attachment B** to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

(iii) The State will have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, will introduce the individual to the appropriate State representatives, and will provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. Additionally, the State's request shall be based on legitimate, good-faith reasons. Proposed alternative for the individual denied, shall be fully qualified for the position.

(iv) Contractor shall not remove any Key Personnel from their assigned roles or the Contract without the prior written consent of the State. If the Contractor does remove Key Personnel without the prior written consent of the State, it shall be considered an unauthorized removal ("Unauthorized Removal"). It shall not be considered an Unauthorized Removal if Key Personnel must be replaced for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation or for cause termination of the Key Personnel's employment. It shall not be considered an Unauthorized Removal if Key Personnel must be replaced because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides thirty (30) days of shadowing unless parties agree to a different time period. The Contractor with the State shall review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its rights under **Section 2.210**.

(v) It is acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 2.210**, the State may assess liquidated damages against Contractor as specified below.

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the liquidated damages amount shall be \$25,000.00 per individual provided Contractor identifies a replacement approved by the State pursuant to **Section 2.041** and assigns the replacement to the Project to shadow the Key Personnel s/he is replacing for a period of at least thirty (30) days prior to such Key Personnel's removal.

If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least thirty (30) days, in addition to the \$25,000.00 liquidated damages for an Unauthorized Removal, Contractor shall pay the amount of \$833.33 per day for each day of the thirty (30) day shadow period that the





replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total liquidated damages that may be assessed per Unauthorized Removal and failure to provide thirty (30) days of shadowing shall not exceed \$50,000.00 per individual.

(c) Re-assignment of non-Key Personnel. Prior to re-deploying to other projects, at the completion of their assigned tasks on the Project, teams of its non-Key Personnel who are performing Services on-site at State facilities or who are otherwise dedicated primarily to the Project, Contractor will give the State at least ten (10) Business Days notice of the proposed re-deployment to give the State an opportunity to object to the re-deployment if the State reasonably believes such team's Contract responsibilities are not likely to be completed and approved by the State prior to the proposed date of re-deployment.

(d) Re-assignment of Personnel at the State's Request. The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement personnel for the removed person shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with removed personnel results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service will not be counted in **Section 2.076** for a time as agreed to by the parties.

(e) Staffing Levels.

(i) All staff requirements not specified in the applicable Statement of Work or State-approved project plan as State personnel will be supplied by Contractor. This includes secretarial, clerical and Contract administration support staff necessary for Contractor to perform its obligations hereunder.

(ii) Contractor shall provide sufficient personnel resources for the completion of Contract tasks indicated in Contractor's project plan approved by the State. If the level of personnel resources is insufficient to complete any Contractor Contract tasks in accordance with the Contract time schedule as demonstrated by Contractor's failure to meet mutually agreed to time schedules, Contractor shall promptly add additional qualified personnel resources to the performance of the affected tasks, at no additional charge to the State, in an amount sufficient to complete performance of Contractor's tasks in accordance with the Contract time schedule.

(f) Personnel Turnover. The Parties agree that it is in their best interests to keep the turnover rate of employees of Contractor and its Subcontractors who are performing the Services to a reasonable minimum. Accordingly, if the State determines that the turnover rate of such employees is excessive and so notifies Contractor, Contractor will meet with the State to discuss the reasons for the turnover rate and otherwise use commercially reasonable efforts to minimize such turnover rate. If requested to do so by the State, Contractor will submit to the State its proposals for reducing the turnover rate to an acceptable level. In any event, notwithstanding the turnover of personnel, Contractor remains obligated to perform the Services without degradation and in accordance with the State-approved Contract schedule.

(g) Location. All staff assigned by Contractor to work on the Contract will perform their duties either primarily at Contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel will, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

#### **2.042 Contractor Identification**

Contractor employees shall be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.





### 2.043 Cooperation with Third Parties

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel, and, as reasonably requested by the State, to provide to the State's agents and other contractors with reasonable access to Contractor's Project personnel, systems and facilities to the extent they relate to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities and provided Contractor receives reasonable prior written notice of such request. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with such requests for access.

### 2.044 Subcontracting by Contractor

(a) Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

(b) Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Management and Budget, Office of Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.

(c) In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor will be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State will not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. Attached as **Exhibit A** is a list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract.

(d) Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.180, 2.260, 2.276, 2.297** in all of its agreements with any Subcontractors.

(e) The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.



## **2.045 Contractor Responsibility for Personnel**

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services.

### 2.050 State Standards

## **2.051 Existing Technology Standards**

The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at [http://www.michigan.gov/dit/0,1607,7-139-30639\\_30655---,00.html](http://www.michigan.gov/dit/0,1607,7-139-30639_30655---,00.html).

## **2.052 PM Methodology Standards**

The State has adopted a standard documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. See the State's PMM website at <http://www.michigan.gov/projectmanagement>.

The Contractor shall use the State's PPM to manage this Contract. If the Contractor requires training on the PMM, those costs shall be the responsibility of the Contractor, unless otherwise stated.

## **2.053 Adherence to Portal Technology Tools**

The State has adopted the following tools for its Portal Technology development efforts:

- Vignette Content Management and personalization Tool
- Inktomi Search Engine
- E-Pay Payment Processing Module
- Websphere Commerce Suite for e-Store applications

Unless otherwise stated, Contractor must use the Portal Technology Tools to implement web content management and deployment efforts. Tools used for web-based application development must work in conjunction with Vignette and Inktomi. The interaction with Vignette and Inktomi must be coordinated with DIT, Enterprise Application Services Office, e-Michigan Web Development team.

Contractors that are compelled to use alternate tools must have received an exception from DIT, Enterprise Application Services Office, e-Michigan Web Development team, before this Contract is effective.

## **2.054 Acceptable Use Policy**

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--,00.html>. All Contractor employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Contractor's access to the State system if a violation occurs.

### 2.060 Deliverables

## **2.061 Ordering**

(a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**. In no event shall any additional terms and conditions contained on a Purchase Order/Blanket Purchase Order be applicable, unless specifically contained in that Purchase Order/Blanket Purchase Order's accompanying Statement of Work.



(b) DIT will continue to oversee the use of this Contract by End Users. DIT may, in writing, delegate to agencies the authority to submit requests for certain services directly to the Contractor. DIT may also designate, in writing, some services as non-delegated and require DIT review and approval before agency acquisition. DIT will use Contractor provided management reports and periodic random agency audits to monitor and administer contract usage for delegated services.

## **2.062 Software**

Article 1 SOW, Section 1.104 Work and Deliverables, sub-section B. **Provision of Software/Hardware** lists the items of software the State is required to purchase for execution the Contract. This list includes all software required to complete the Contract and make the Deliverables operable; if any additional software is required in order for the Deliverables to meet the requirements of this Contract, such software shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Statement of Work or Contract Change Notice), also this identifies certain items of software to be provided by the State.

## **2.063 Hardware**

Article 1 SOW, Section 1.104 Work and Deliverables, sub-section B. **Provision of Software/Hardware** lists the items of hardware the State is required to purchase for execution the Contract. This list includes all hardware required to complete the Contract and make the Deliverables operable; if any additional hardware is required in order for the Deliverables to meet the requirements of this Contract, such hardware shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Contract Change Notice). **Exhibit B** also identifies certain items of hardware to be provided by the State.

## **2.064 Equipment to be New and Prohibited Products**

### **(a) Equipment to be New**

If applicable, all equipment provided under this Contract by Contractor shall be new where Contractor has knowledge regarding whether the equipment is new or assembled from new or serviceable used parts that are like new in performance or has the option of selecting one or the other. Equipment that is assembled from new or serviceable used parts that are like new in performance is acceptable where Contractor does not have knowledge or the ability to select one or other, unless specifically agreed otherwise in writing by the State.

### **(b) Prohibited Products**

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Purchasing Operations has approved a change order pursuant to **Section 2.106**.

## **2.070 Performance**

### **2.071 Performance, In General**

The State engages Contractor to execute the Contract and perform the Services/provide the Deliverables, and Contractor undertakes to execute and complete the Contract in its entirety in accordance with the terms and conditions of this Contract and with the participation of State representatives as specified in this Contract.

### **2.072 Time of Performance**

(a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables in accordance with the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.072(a)**, Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and, in such event, shall inform the State of the projected actual delivery date.



(c) If Contractor believes that a delay in performance by the State has caused or will cause Contractor to be unable to perform its obligations in accordance with specified Contract time periods, Contractor shall notify the State in a timely manner and shall use commercially reasonable efforts to perform its obligations in accordance with such Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent such delay is caused by the State.

## **2.073 Liquidated Damages (Reserved)**

## **2.074 Bankruptcy**

If Contractor shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Contractor and not removed within thirty (30) days, or if the Contractor becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Contractor and/or its affiliates are unable to provide reasonable assurances that Contractor and/or its affiliates can deliver the services provided herein, the State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish such Works in Process by whatever appropriate method the State may deem expedient. Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

To secure the State's progress payments before the delivery of any services or materials required for the execution of Contractor's obligations hereunder, and any work which Contractor may subcontract in the support of the performance of its obligations hereunder, title shall vest in the State to the extent the State has made progress payments hereunder.

## **2.075 Time is of the Essence**

The Contractor agrees that time is of the essence in the performance of the Contractor's obligations under this Contract.

## **2.076 Service Level Agreements (SLAs)**

(a) SLAs will be completed with the following operational considerations:

(i) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has occurred as defined in **Section 2.202**,

(ii) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification and/or coordination.

(iii) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. In order to invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

(iv) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following ("Stop-Clock Conditions"):

1. Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.

2. Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.

(b) Chronic Failure for any Service(s) will be defined as three (3) unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling thirty (30) day period. Chronic Failure will result in



the State's option to terminate the effected individual Service(s) and procure them from a different vendor for the chronic location(s) with Contractor to pay the difference in charges for up to three (3) additional months. The termination of the Service will not affect any tiered pricing levels.

(c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two (2) weeks of outage(s) and provide a recommendation for resolution.

(d) All decimals shall be rounded to two decimal places with 5 and greater rounding up and 4 and less rounding down unless otherwise specified.

### 2.080 Delivery and Acceptance of Deliverables

#### **2.081 Delivery Responsibilities**

Unless otherwise specified by the State within an individual order, the following shall be applicable to all orders issued under this Contract.

(a) Shipment responsibilities - Services performed/Deliverables provided under this Contract shall be delivered "F.O.B. Destination, within Government Premises." The Contractor shall have complete responsibility for providing all Services/Deliverables to all site(s) unless otherwise stated. Actual delivery dates will be specified on the individual purchase order.

(b) Delivery locations - Services will be performed/Deliverables will be provided at every State of Michigan location within Michigan unless otherwise stated in the SOW. Specific locations will be provided by the State or upon issuance of individual purchase orders.

(c) Damage Disputes - At the time of delivery to State Locations, the State shall examine all packages. The quantity of packages delivered shall be recorded and any obvious visible or suspected damage shall be noted at time of delivery using the shipper's delivery document(s) and appropriate procedures to record such.

Where there is no obvious or suspected damage, all deliveries to a State Location must be opened by the State and the contents inspected for possible internal damage not visible externally within fourteen (14) days of receipt. Any damage must be reported to the Contractor within five (5) days of inspection. If this inspection does not occur and damages not reported within thirty (30) days of receipt, the cure for such damaged deliveries shall transfer to the delivery signing party.

#### **2.082 Delivery of Deliverables**

(a) Where applicable, the Statements of Work/POs contain lists of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable"), a good ("Physical Deliverable") or a Service. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of the Contract.

#### **2.083 Testing**

(a) Prior to delivering any of the above-mentioned Statement of Work Physical Deliverables or Services to the State, Contractor will first perform all required quality assurance activities to verify that the Physical Deliverable or Service is complete and in conformance with its specifications listed in the applicable Statement of Work or Purchase Order. Before delivering a Physical Deliverable or Service to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable or Service is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

(b) If a Deliverable includes installation at a State Location, then Contractor shall (1) perform any applicable testing, (2) correct all material deficiencies discovered during such quality assurance activities and testing, and (3) inform the State that the Deliverable is in a suitable state of readiness for the State's review





and approval. To the extent that testing occurs at State Locations, the State shall be entitled to observe or otherwise participate in testing.

#### **2.084 Approval of Deliverables, In General**

- (a) All Deliverables (Physical Deliverables and Written Deliverables) and Services require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which will include the successful completion of Testing as applicable in **Section 2.083**, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.
- (b) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables/Services being reviewed.
- (c) Prior to commencement of its review or testing of a Deliverable/Service, the State may inspect the Deliverable/Service to confirm that all components of the Deliverable/Service have been delivered without material deficiencies. If the State determines that the Deliverable/Service has material deficiencies, the State may refuse delivery of the Deliverable/Service without performing any further inspection or testing of the Deliverable/Service. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable or the Service begins, and the State and Contractor agree that the Deliverable/Service is ready for use and, where applicable, certification by Contractor in accordance with **Section 2.083(a)**.
- (d) The State will approve in writing a Deliverable/Service upon confirming that it conforms to and, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable/Service that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable/Service that remain outstanding at the time of State approval.
- (e) If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing Final Acceptance of a Deliverable/Service, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep the Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the Contract price for such Deliverable/Service and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses provided the State can furnish proof of such general expenses; or (iii) terminate the particular Statement of Work for default, either in whole or in part by notice to Contractor provided Contractor is unable to cure such breach. Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.
- (f) The State, at any time and in its reasonable discretion, may halt the testing or approval process if such process reveals deficiencies in or problems with a Deliverable/Service in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may stop using the Service or return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the testing or approval process.

#### **2.085 Process for Approval of Written Deliverables**

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of



the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

## **2.086 Process for Approval of Services**

The State Review Period for approval of Services is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) Business Days for Services). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Service is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Services (or at the State's election, subsequent to approval of the Service). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Service in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon implementation of a corrected Service from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Service for conformity and that the identified deficiencies have been corrected.

## **2.087 Process for Approval of Physical Deliverables**

The State Review Period for approval of Physical Deliverables is governed by the applicable Statement of Work (failing which the State Review Period, by default, shall be thirty (30) continuous Business Days for a Physical Deliverable). The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Deliverable is approved in the form delivered by Contractor or describing any deficiencies that must be corrected prior to approval of the Deliverable (or at the State's election, subsequent to approval of the Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within thirty (30) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Deliverable to confirm that the identified deficiencies have been corrected.

## **2.088 Final Acceptance**

Unless otherwise stated in the Statement of Work or Purchase Order, "Final Acceptance" of each Deliverable shall occur when each Deliverable/Service has been approved by the State following the State Review Periods identified in **Sections 2.080-2.087**. Payment will be made for Deliverables installed and accepted. Upon acceptance of a Service, the State will pay for all Services provided during the State Review Period that conformed to the acceptance criteria.

## **2.090 Financial**

### **2.091 Pricing**

#### **(a) Fixed Prices for Services/Deliverables**

Each Statement of Work/PO issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. To the extent the parties agree that certain specific Services will be provided on a time and materials basis, such Services shall be provided at the Amendment Labor Rates (**Article 1, Attachment C**). The State may make progress payments to the Contractor when requested as





work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

(b) Adjustments for Reductions in Scope of Services/Deliverables

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope, using the rates in **Article 1, Attachment** Unless specifically identified in an applicable Statement of Work.

(c) Services/Deliverables Covered

For all Services/Deliverables to be provided by Contractor (and its Subcontractors, if any) under this Contract, the State shall not be obligated to pay any amounts in addition to the charges specified in this Contract.

(d) Labor Rates

All time and material charges will be at the rates specified in **Article 1, Attachment C**.

## 2.092 Invoicing and Payment Procedures and Terms

(a) Invoicing and Payment – In General

(i) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

(ii) Each Contractor invoice will show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. The charges for Services billed on a time and materials basis shall be determined based on the actual number of hours of Services performed, at the applicable Labor Rates specified in **Article 1, Attachment C**. Invoices for Services performed on a time and materials basis will show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 2.094**.

(iii) Correct invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within forty-five (45) days after receipt, provided the State determines that the invoice was properly rendered.

(b) Taxes (See Section 2.305 and Article 3, Section 3.022-3.024 for additional )

The State is exempt from Federal Excise Tax, State and Local Sales Taxes, and Use Tax with respect to the sale to and use by it of tangible personal property. Such taxes shall not be included in Contract prices as long as the State maintains such exemptions. Copies of all tax exemption certificates shall be supplied to Contractor, if requested.

(c) Out-of-Pocket Expenses

Contractor acknowledges that the out-of-pocket expenses that Contractor expects to incur in performing the Services/ providing the Deliverables (such as, but not limited to, travel and lodging, document reproduction and shipping, and long distance telephone) are included in Contractor's fixed price for each Statement of Work. Accordingly, Contractor's out-of-pocket expenses are not separately reimbursable by the State unless, on a case-by-case basis for unusual expenses, the State has agreed in advance and in writing to reimburse Contractor for such an expense at the State's current travel reimbursement rates. See [http://www.mi.gov/dmb/0,1607,7-150-9141\\_13132---,00.html](http://www.mi.gov/dmb/0,1607,7-150-9141_13132---,00.html) for current rates.

(d) Pro-ration

To the extent there are any Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.



(e) Antitrust Assignment

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

(f) Final Payment

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor will it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

### **2.093 State Funding Obligation**

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Contractor acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

### **2.094 Holdback**

The State shall have the right to hold back, as a retainage, an amount equal to Ten percent (10%) of all amounts invoiced by Contractor for Services/Deliverables. The amounts held back shall be released to Contractor after the State has granted Final Acceptance.

### **2.095 Electronic Payment Availability**

Public Act 533 of 2004 requires that payments under this contract be processed by electronic funds transfer (EFT). Contractor is required to register to receive payments by EFT at the Contract & Payment Express website ([www.cpexpress.state.mi.us](http://www.cpexpress.state.mi.us)).

## **2.100 Contract Management**

### **2.101 Contract Management Responsibility**

(a) Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with **Article 1, Attachment D** (Project Plan) is likely to delay the timely achievement of any Contract tasks.

(b) The Services/Deliverables will be provided by the Contractor either directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor will act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

### **2.102 Problem and Contract Management Procedures**

Problem Management and Contract Management procedures will be governed by the Contract and the applicable Statements of Work.

### **2.103 Reports and Meetings**

(a) Reports.

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of periodic reports to be issued by Contractor to the State. Such reports may include:



- (i) separately address Contractor's performance in each area of the Services;
- (ii) for each area of the Services, assess the degree to which Contractor has attained or failed to attain the pertinent objectives in that area, including on-time completion and delivery of Deliverables;
- (iii) explain the reasons for any failure to achieve on-time completion and delivery of Deliverables and include a plan for corrective action where appropriate;
- (iv) describe any circumstances that Contractor anticipates will impair or prevent on-time completion and delivery of Deliverables in upcoming reporting periods;
- (v) include plans for corrective action or risk mitigation where appropriate and describe the status of ongoing problem resolution efforts;
- (vi) provide reports setting forth a comparison of actual hours spent by Contractor (including its augmented personnel and Subcontractors) in performing the Project versus hours budgeted by Contractor.
- (vii) set forth a record of the material personnel changes that pertain to the Services and describe planned changes during the upcoming month that may affect the Services.
- (viii) include such documentation and other information may be mutually agreed to verify compliance with, and meeting the objectives of, this Contract.
- (ix) set forth an updated schedule that provides information on the status of upcoming Deliverables, expected dates of delivery (or redelivery) of such Deliverables and estimates on timing for completion of the Project.

(b) Meetings.

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of meetings to be held between representatives of the State and Contractor. Contractor shall prepare and circulate an agenda sufficiently in advance of each such meeting to give participants an opportunity to prepare for the meeting. Contractor shall incorporate into such agenda items that the State desires to discuss. At the State's request, Contractor shall prepare and circulate minutes promptly after a meeting.

## **2.104 System Changes**

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the State. Any changes Contractor makes to State systems with the State's approval shall be done in accordance with applicable State procedures, including security, access and configuration management procedures.

## **2.105 Reserved**

## **2.106 Change Requests**

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, the State would like the Contractor to provide a detailed outline of all work to be done, including tasks necessary to accomplish the services/deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested activities are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before notice is given by the Contractor shall be conclusively considered to be in-scope Services/Deliverables, not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract,



but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such services or providing such deliverables, the Contractor shall notify the State in writing that it considers the services or deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable. If the Contractor does so notify the State, then such a service or deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(a) Change Requests

(i) State Requests

If the State should require Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(ii) Contractor Recommendations

Contractor shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.

(iii) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal will include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

(iv) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice shall be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").

(v) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Management and Budget, Office of Purchasing Operations.

(vi) If the State requests or directs Contractor to perform any activities that Contractor believes constitute a Change, Contractor must notify the State that it believes the requested activities are a Change prior to commencing the performance of the requested activities. If Contractor fails to so notify the State prior to commencing performance of the requested activities, such activities shall be considered to be performed gratuitously by Contractor, and Contractor shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities. If Contractor commences performance of gratuitous services outside the scope of this Contract and subsequently elects to stop performing such out-of-scope services, Contractor must, at the request of the State, back out or reverse any changes resulting from such performance that would adversely affect the Contract.

## 2.107 Management Tools

Contractor will use an automated tool for planning, monitoring and tracking the Contract's progress. In addition, Contractor shall use automated project management tools as reasonably necessary to perform the Services, which tools shall include the capability to produce through the end of the Contract: (i) staffing tables with names of personnel assigned to Contract tasks, (ii) project plans showing tasks, subtasks, Deliverables and the resources required and allocated to each (including detailed plans for all Services to be performed



within the next sixty (60) days, updated semi-monthly) and (iii) graphs showing critical events, dependencies and decision points during the course of the Contract. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State's standard to the extent such information is described with reasonable detail in the Statements of Work and to the extent the related work is of sufficient project complexity and duration to warrant such reporting.

### 2.110 Records and Inspections

#### **2.111a Records and Inspections (Reserved)**

#### **2.111b Records and Inspections**

The Contractor agrees that the State may, upon 24-hour notice, perform an audit at Contractor's location(s) to determine if the Contractor is complying with the requirements of the Contract. The Contractor agrees to cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

#### **2.112 Errors**

(a) If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.

(b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten percent (10%), then the Contractor shall pay all of the reasonable costs of the audit.

### 2.120 State Responsibilities

#### **2.121 State Performance Obligations**

(a) Equipment and Other Resources. To facilitate Contractor's performance of the Services/Deliverables, the State shall provide to Contractor such equipment and resources as identified in the Statements of Work or other Contract Exhibits as items to be provided by the State.

(b) Facilities. The State shall designate space as long as it is available and as provided in the Statement of Work, to house Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). Contractor shall have reasonable access to, and unless agreed otherwise by the parties in writing shall observe and comply with all rules and regulations relating to, each of the State Facilities (including hours of operation) used by Contractor in the course of providing the Services. Contractor agrees that it will not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for Contractor's use, or to which Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

(c) Return. Contractor shall be responsible for returning to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

(d) Except as otherwise provided in **Section 2.220**, the State's failure to perform its responsibilities as set forth in this Contract shall not be deemed to be grounds for termination by Contractor. However, Contractor will not be liable for any default or delay in the performance of its obligations under this Contract to the extent such default or delay is caused by nonperformance of the State's obligations under this Contract, provided Contractor provides the State with reasonable written notice of such nonperformance and Contractor uses commercially reasonable efforts to perform notwithstanding the State's failure to perform. In addition, if the State's nonperformance of its responsibilities under this Contract materially increases the time required for





Contractor's performance or Contractor's cost of performance, Contractor shall be entitled to seek an equitable extension via the Change Request process described in **Section 2.106**.

### 2.130 Security

#### **2.131 Background Checks**

The Contractor shall authorize the investigation of its personnel proposed to have access to State facilities and systems on a case by case basis. The scope of the background check is at the discretion of the State and the results will be used to determine Contractor personnel eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/ditservice/0,1607,7-179-25781-73760--00.html>. Furthermore, Contractor personnel will be expected to agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. It is expected the Contractor will present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

### 2.140 Reserved

### 2.150 Confidentiality

#### **2.151 Freedom of Information**

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

#### **2.152 Confidentiality**

Contractor and the State each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor shall mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation. "Confidential Information" of the State shall mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State pursuant to applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State pursuant to its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. In the case of information of either Contractor or the State "Confidential Information" shall exclude any information (including this Contract) that is publicly available pursuant to the Michigan FOIA.

#### **2.153 Protection of Confidential Information**

The State and Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access in order to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) such disclosure is necessary or otherwise naturally occurs in connection with work that is



within such Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect such Confidential Information from unauthorized use or disclosure.

#### **2.154 Exclusions**

Notwithstanding the foregoing, the provisions of this Section will not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose such Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of such disclosure as reasonably requested by the furnishing party.

#### **2.155 No Implied Rights**

Nothing contained in this Section shall be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

#### **2.156 Remedies**

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

#### **2.157 Security Breach Notification**

In the event of a breach of this Section, Contractor shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor shall report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.

#### **2.158 Survival**

The parties' respective obligations under this Section shall survive the termination or expiration of this Contract for any reason.

#### **2.159 Destruction of Confidential Information**

Promptly upon termination or cancellation of the Contract for any reason, Contractor shall certify to the State that Contractor has destroyed all State Confidential Information.

#### **2.160 Proprietary Rights**

##### **2.161a Ownership (Reserved)**





## **2.161b Cross-License (Reserved)**

### **2.161c License**

Contractor grants to the State a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Software and related documentation according to the terms and conditions of this Contract with respect to the number of vehicles licensed.

The State may copy each item of Software to multiple hard drives or networks unless otherwise agreed by the parties.

The State will make and maintain no more than one archival copy of each item of Software, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The State may also make copies of the Software in the course of routine backups of hard drive(s) for the purpose of recovery of hard drive contents.

In the event that the Contractor shall, for any reason, cease to conduct business, or cease to support the Software, the State shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

## **2.162 Source Code Package**

(a) Definition. "Source Package" shall mean:

- (i) A complete copy in machine-readable form of the source code and executable code of the Licensed Software, including any updates or new releases of the product;
- (ii) A complete copy of any existing design documentation and user documentation, including any updates or revisions; and/or
- (iii) Complete instructions for compiling and linking every part of the source code into executable code for purposes of enabling verification of the completeness of the source code as provided below. Such instructions shall include precise identification of all compilers, library packages, and linkers used to generate executable code.

(b) Delivery of Source Code into Escrow. (Reserved)

(c) Delivery of New Source Code into Escrow. (Reserved)

(d) Verification. (Reserved)

(e) Escrow Fees. (Reserved)

(f) Release Events. The Source Code may be released from escrow to the State, temporarily or permanently, upon the occurrence of one or more of the following:

- (i) The Contractor becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under bankruptcy or insolvency law, whether domestic or foreign;
- (ii) The Contractor has wound up or liquidated its business voluntarily or otherwise and the State has reason to believe that such events will cause the Contractor to fail to meet its warranties and maintenance obligations in the foreseeable future;
- (iii) The Contractor voluntarily or otherwise discontinues support of the provided products or fails to support the products in accordance with its maintenance obligations and warranties.



(g) Release Event Procedures. If the State desires to obtain the Source Code upon the occurrence of an Event in **Section 2.162(f)**, then:

- (i) The State shall comply with all procedures in the Contract;
- (ii) The State shall maintain all materials and information comprising the Source Code Package in confidence in accordance with this Contract;
- (iii) If the release is a temporary one, then the State shall promptly return all released materials to Contractor when the circumstances leading to the release are no longer in effect.

(h) License. Upon release of the Source Code Package pursuant to an event described in **Section 2.162(f)**, the Contractor automatically grants the State a non-exclusive, irrevocable license to use, reproduce, modify, maintain, support, update, have made, and create Derivative Works. Further, the State shall have the right to use the Source Code Package in order to maintain and support the Licensed Software so that it can be used by the State as set forth in this Contract.

(i) Derivative Works. Any Derivative Works to the source code released, which are made by or on behalf of the State shall be the sole property of the State. The State acknowledges that its ownership rights are limited solely to the Derivative Works and do not include any ownership rights in the underlying source code.

### **2.163 Rights in Data**

(a) The State will be and remain the owner of all data made available by the State to Contractor or its agents, Subcontractors or representatives pursuant to the Contract. Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of Contractor, nor will any employee of Contractor other than those on a strictly need to know basis have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, Contractor shall only use personally identifiable information as strictly necessary to provide the Services and shall disclose such information only to its employees who have a strict need to know such information. Contractor shall comply at all times with all laws and regulations applicable to such personally identifiable information.

(b) The State is and shall remain the owner of all State-specific data pursuant to the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State shall only use personally identifiable information as strictly necessary to utilize the Services and shall disclose such information only to its employees who have a strict need to know such information, except as provided by law. The State shall comply at all times with all laws and regulations applicable to such personally identifiable information. Other material developed and provided to the State shall remain the State's sole and exclusive property.

### **2.164 Ownership of Materials**

State and Contractor will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Contractor by the State, and paid for by the State, will be owned by the State. Any software licensed through the Contractor and sold to the State, will be licensed directly to the State.

### **2.165 Standard Software**

If applicable and necessary, all Standard Software used in performing the Services shall be provided to the State under a separate license agreement between the State and the owner (or authorized licensor) of such software.

### **2.166 Pre-existing Materials for Custom Software Deliverables**

Neither Contractor nor any of its Subcontractors shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software



Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Contractor or its Subcontractor, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Contractor or its Subcontractor, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.

## **2.167 General Skills**

Notwithstanding anything to the contrary in this Section, each party, its Subcontractors and their personnel shall be free to use and employ its and their general skills, know-how and expertise, and to use, disclose and employ any generalized ideas, concepts, know-how, methods, techniques or skills gained or learned during the course of performing the Services, so long as it or they acquire and apply the foregoing without disclosure of any confidential or proprietary information of the other party.

### **2.170 Warranties And Representations**

#### **2.171 Warranties and Representations**

The Contractor represents and warrants:

- (a) It is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract. The performance of all obligations under this Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under this Contract.
- (b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.
- (c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.
- (d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to such items in this Contract, Contractor shall assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.
- (e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.
- (f) It is qualified and registered to transact business in all locations where required.
- (g) Neither the Contractor nor any Affiliates, nor any employee of either, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.
- (h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or shall accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on



behalf of the State would be influenced. Contractor shall not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or such Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse change in the business, properties, financial condition, or results of operations of Contractor.

(m) All written information furnished to the State by or behalf of Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

(n) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or such department within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of such contract.

## **2.172 Software Warranties**

### **(a) Performance Warranty**

The Contractor represents and warrants that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of ninety (90) days. In the event of a breach of this warranty, Contractor will promptly correct the affected Deliverable(s) at no charge to the State.



(b) No Surreptitious Code Warranty

The Contractor represents and warrants that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below except where specifically noted in this section. This warranty is referred to in this Contract as the “No Surreptitious Code Warranty.”

For purposes of this contract, the Contractor warrants that the only self-help code is the software related to the Product/License key. The Product/License key that will be distributed to SOM will be set to expire in more than one hundred years and therefore will never have any adverse affect on the SOM. The License key will be set to restrict use of the application to the number of contracted vehicles plus 10% (to account for influxes in vehicles and overlaps between the time new vehicles are purchased and the older vehicles are taken out of service). Should the State increase the number of licensed vehicles, a new Product/License key will be provided that adheres to these same principles.

As used in this Contract, “Self-Help Code” means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee’s computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, “Unauthorized Code” means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee’s computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.

(c) Calendar Warranty

The Contractor represents and warrants that all software for which the Contractor either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.



(d) Third-party Software Warranty

The Contractor represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use the Third-party Software.

**2.173 Equipment Warranty**

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it will maintain such equipment/system(s) in good operating condition and will undertake all repairs and preventive maintenance in accordance with the applicable manufacturer's recommendations for the period specified in this Contract.

The Contractor represents and warrants that the equipment/system(s) shall be in good operating condition and shall operate and perform to the requirements and other standards of performance contained in this Contract, when installed, at the time of Final Acceptance by the State, and for a period of one (1) year commencing upon the first day following Final Acceptance.

Within 10 business days of notification from the State, the Contractor shall adjust, repair or replace all equipment that is defective or not performing in compliance with the Contract. The Contractor shall assume all costs for replacing parts or units and their installation including transportation and delivery fees, if any.

The Contractor shall provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Contractor.

The Contractor agrees that all warranty service it provides under this Contract shall be performed by original equipment manufacturer (OEM) trained, certified and authorized technicians.

The Contractor shall act as the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the State any and all warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

**2.174 Physical Media Warranty**

(a) Contractor represents and warrants that each licensed copy of the Software provided by the Contractor is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than thirty (30) days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Contractor breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Contractor, at Contractor's expense (including shipping and handling).

**2.175a DISCLAIMER**

THE FOREGOING EXPRESS WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES AND EACH PARTY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**2.175b Standard Warranties**

(a) Warranty of Merchantability

Deliverables shall be merchantable. All Deliverables shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Contractor on the container or label.





(b) Warranty of fitness for a particular purpose

When Contractor has reason to know or knows any particular purpose for which the Deliverables are required, and when the State is relying on the Contractor's skill or judgment to select or furnish suitable Deliverables, the Contractor warrants that the Deliverables are fit for such purpose.

(c) Warranty of title

Contractor shall convey good title in those Deliverables, whose transfer is right and lawful. All Deliverables provided by Contractor shall be delivered free from any security interest, lien, or encumbrance. Deliverables shall be delivered free of any rightful claim of any third person of ownership, interest, lien or encumbrance.

## 2.176 Consequences For Breach

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, such breach may be considered as a default in the performance of a material obligation of this Contract.

### 2.180 Insurance

#### 2.181 Liability Insurance

(a) Liability Insurance

The Contractor is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether such services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain pursuant to this Contract.

All insurance coverages provided relative to this Contract/Purchase Order are PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The insurance shall be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Contractor shall have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if such ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in this Contract shall be issued by companies that have been approved to do business in the State.

See [http://www.mi.gov/cis/0,1607,7-154-10555\\_22535---,00.html](http://www.mi.gov/cis/0,1607,7-154-10555_22535---,00.html).

Where specific limits are shown, they are the minimum acceptable limits. If Contractor's policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits.

Before the Contract is signed by both parties or before the purchase order is issued by the State, the Contractor must furnish to the Director of Purchasing Operations, certificate(s) of insurance verifying insurance coverage ("Certificates"). The Certificate must be on the standard "accord" form or equivalent. **THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Purchasing





Operations, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Purchasing Operations, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State's sole option, result in this Contract's termination.

The Contractor is required to pay for and provide the type and amount of insurance checked ☒ below:

- ☒ 1. Commercial General Liability with the following minimum coverage:  
 \$2,000,000 General Aggregate Limit other than Products/Completed Operations  
 \$2,000,000 Products/Completed Operations Aggregate Limit  
 \$1,000,000 Personal & Advertising Injury Limit  
 \$1,000,000 Each Occurrence Limit  
 \$500,000 Fire Damage Limit (any one fire)

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

- ☒ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

- ☒ 3. Workers' compensation coverage must be provided in accordance with applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

- ☒ 4. Employers liability insurance with the following minimum limits:  
 \$100,000 each accident  
 \$100,000 each employee by disease  
 \$500,000 aggregate disease

- ☐ 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).



- ☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which shall apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.
- ☐ 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars (\$3,000,000.00) each occurrence and three million dollars (\$3,000,000.00) annual aggregate.
- ☐ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of such office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to the replacement value thereof, where such office space and its contents are under the care, custody and control of Contractor. Such policy shall cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State shall be endorsed on the policy as a loss payee as its interests appear.

(b) Subcontractors

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor shall require all of its Subcontractors under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractors. Alternatively, Contractor may include any Subcontractors under Contractor's insurance on the coverage required in this Section. Subcontractor(s) shall fully comply with the insurance coverage required in this Section. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

(c) Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Purchasing Operations certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insureds under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Contractor, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.

2.190 Indemnification

**2.191 Indemnification**

(a) General Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys'



fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

(b) Code Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

(c) Employee Indemnification

In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

(d) Patent/Copyright Infringement Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor shall have no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; or (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

## 2.192 Continuation of Indemnification Obligations

The Contractor's duty to indemnify pursuant to this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred prior to expiration or cancellation.

## 2.193 Indemnification Procedures

The procedures set forth below shall apply to all indemnity obligations under this Contract.

(a) After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such claim in writing and take or



assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.

(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

## **2.200 Limits of Liability and Excusable Failure**

### **2.201 Limits of Liability**

The Contractor's liability for damages to the State shall be limited to two times the value of the Contract or \$200,000, which ever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

### **2.202 Excusable Failure**

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent such default, damage or delay is caused by government regulations or requirements



(executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its Subcontractors are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than ten (10) Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State shall not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance shall continue; (b) the State may terminate any portion of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Contractor, except to the extent that the State shall pay for Services/Deliverables provided through the date of termination.

Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

## **2.203 Disaster Recovery**

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract will provide the State with priority service for repair and work around in the event of a natural or manmade disaster.

### **2.210 Termination/Cancellation by the State**

The State may terminate this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

### **2.211 Termination for Cause**

(a) In the event that Contractor breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State (such time period not to be less than thirty (30) days), or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of termination to Contractor, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.





(b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of fifty percent (50%) more than the prices for such Service/Deliverables provided under this Contract.

(c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

(d) In the event this Contract is terminated for cause pursuant to this Section, and it is determined, for any reason, that Contractor was not in breach of contract pursuant to the provisions of this section, that termination for cause shall be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in this Contract for a termination for convenience.

## **2.212 Termination for Convenience**

The State may terminate this Contract for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

## **2.213 Non-Appropriation**

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State shall give Contractor at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff).

(b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise made available, the State may, upon thirty (30) days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.

(c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/or raising against the State in



a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

#### **2.214 Criminal Conviction**

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Contractor's business integrity.

#### **2.215 Approvals Rescinded**

The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

#### **2.216 Rights and Obligations Upon Termination**

(a) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in Deliverables that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

#### **2.217 Reservation of Rights**

Any termination of this Contract or any Statement of Work issued under it by a party shall be with full reservation of, and without prejudice to, any rights or remedies otherwise available to such party with respect to any claims arising prior to or as a result of such termination.





## 2.218 Contractor Transition Responsibilities

In the event this contract is terminated, for convenience or cause, dissolved, voided, rescinded, nullified, expires or is otherwise rendered unenforceable, the Contractor agrees to comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of this Contract, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed ninety (90) days. These efforts shall include, but are not limited to, the following:

(a) Personnel - The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor shall allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.

(b) Information - The Contractor agrees to provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

(d) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This shall include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

(e) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of this Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates specified by **Article 1, Attachment C**. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

## 2.219 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:

- (a) Reconciling all accounts between the State and the Contractor;
- (b) Completing any pending post-project reviews.

## 2.220 Termination by Contractor

### 2.221 Termination by Contractor

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of breach provided to the State by Contractor (such time period not to be less than thirty (30) days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.



## 2.230 Stop Work

### **2.231 Stop Work Orders**

The State may, at any time, by written stop work order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to ninety (90) calendar days after the stop work order is delivered to Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this **Section 2.230**. Upon receipt of the stop work order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either: (a) cancel the stop work order; or (b) terminate the work covered by the stop work order as provided in **Section 2.210**.

### **2.232 Cancellation or Expiration of Stop Work Order**

If a stop work order issued under this **Section 2.230** is canceled or the period of the stop work order or any extension thereof expires, Contractor shall resume work. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.106**.

### **2.233 Allowance of Contractor Costs**

If the stop work order is not canceled and the work covered by the stop work order is terminated for reasons other than material breach, such termination shall be deemed to be a termination for convenience under **Section 2.212**, and the State shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.230**.

## 2.240 Reserved

## 2.250 Dispute Resolution

### **2.251 In General**

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work shall be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor shall submit a letter executed by Contractor's Contract Administrator or his designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the supporting data provided with such an affidavit are current and complete to Contractor's best knowledge and belief.

### **2.252 Informal Dispute Resolution**

(a) All operational disputes between the parties shall be resolved under the Contract Management procedures developed pursuant to **Section 2.100**. If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:



(i) The representatives of Contractor and the State shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.

(iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within thirty (30) calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.

(b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.

(c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work pursuant to the Contract.

### **2.253 Injunctive Relief**

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

### **2.254 Continued Performance**

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

## **2.260 Federal and State Contract Requirements**

### **2.261 Nondiscrimination**

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

### **2.262 Unfair Labor Practices**

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980



PA 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

## **2.263 Workplace Safety and Discriminatory Harassment**

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

### 2.270 Litigation

#### **2.271 Disclosure of Litigation**

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Subcontractor hereunder) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor hereunder; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement to the Contract Administrator within thirty (30) days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated as such. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

(b) Assurances. In the event that any such Proceeding disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (i) the ability of Contractor (or a Subcontractor hereunder) to continue to perform this Contract in accordance with its terms and conditions, or
- (ii) whether Contractor (or a Subcontractor hereunder) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in such Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that:

(A) Contractor and/or its Subcontractors hereunder will be able to continue to perform this Contract and any Statements of Work in accordance with its terms and conditions, and

(B) Contractor and/or its Subcontractors hereunder have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in such Proceeding.

(c) Contractor shall make the following notifications in writing:

(1) Within thirty (30) days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor shall notify the Office of Purchasing Operations.

(2) Contractor shall also notify the Office of Purchasing Operations within thirty (30) days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

(3) Contractor shall also notify Purchasing Operations within thirty (30) days whenever changes to company affiliations occur.



## **2.272 Governing Law**

The Contract shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

## **2.273 Compliance with Laws**

Contractor shall comply with all applicable state, federal, and local laws and ordinances ("Applicable Laws") in providing the Services/Deliverables.

## **2.274 Jurisdiction**

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

### 2.280 Environmental Provision

## **2.281 Environmental Provision**

For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, such construction materials as paint thinners, solvents, gasoline, oil, etc., and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health, natural resources or the environment. This includes, but is not limited to, materials such as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act. This Contract does not cover the handling, removal, or disposal of all Hazardous Materials.

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material in accordance with all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Prior to the commencement of Work, the State shall advise Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of such Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, give written notice to the State of the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.

(c) Once the Hazardous Material has been removed or rendered harmless by the State, the affected Work shall be resumed as directed in writing by the State. Any determination by the Michigan Department of Community Health and/or the Michigan Department of Environmental Quality (whichever is applicable) that the Hazardous Material has either been removed or rendered harmless shall be binding upon the State and Contractor for the purposes of resuming the Work. If any such incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time as mutually agreed by the parties.





(d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material in accordance with Applicable Laws to the condition approved by applicable regulatory agency(ies). If the Contractor fails to take appropriate action pursuant to Applicable Laws and consistent with the State requirements, then the State may take appropriate action.

## 2.290 General

### **2.291 Amendments**

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

### **2.292 Assignment**

(a) Neither party shall have the right to assign the Contract, or to assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as such affiliate is adequately capitalized and can provide adequate assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or novations when such transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

(b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

### **2.293 Entire Contract; Order of Precedence**

(a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.

(b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections 2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

### **2.294 Headings**

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

### **2.295 Relationship of the Parties (Independent Contractor Relationship)**

The relationship between the State and Contractor is that of client and independent Contractor. No agent, employee, or servant of Contractor or any of its Subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.



## 2.296 Notices

(a) Any notice given to a party under the Contract shall be deemed effective, if addressed to such party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

State: Douglas Collier  
State of Michigan  
Office of Purchasing Operations  
Attention:  
PO Box 30026  
530 West Allegan  
Lansing, Michigan 48909

with a copy to:  
Mark Lawrence  
State of Michigan  
Department of Information Technology  
Attention:  
116 West Allegan  
Hollister Building  
Lansing, Michigan 48909

Contractor(s):  
Agile Access Control, Inc.  
4640 Star Flower Dr  
Chantilly, VA 20151

Either party may change its address where notices are to be sent by giving notice in accordance with this Section.

### (b) Binding Commitments

Representatives of Contractor identified in **Article 1, Attachment B** shall have the authority to make binding commitments on Contractor's behalf within the bounds set forth in such table. Contractor may change such representatives from time to time upon written notice.

## 2.297 Media Releases and Contract Distribution

### (a) Media Releases

Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the Contract, the Services or the Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party. In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.

### (b) Contract Distribution

Purchasing Operations shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

## 2.298 Reformation and Severability

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.



**2.299 Consents and Approvals**

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, such consent or approval shall be in writing and shall not be unreasonably withheld or delayed.

**2.300 No Waiver of Default**

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

**2.301 Survival**

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

**2.302 Covenant of Good Faith**

Each party agrees that, in its dealings with the other party or in connection with the Contract, it shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties will not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

**2.303 Permits**

Contractor shall obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

**2.304 Website Incorporation**

State expressly states that it will not be bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of such content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representation of the State.

**2.305 Taxes**

Vendors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

The State may refuse to award a contract to any Vendor who has failed to pay any applicable State taxes. The State may refuse to accept Vendor's bid, if Vendor has any outstanding debt with the State. Prior to any award, the State will verify whether Vendor has any outstanding debt with the State.

**2.306 Prevailing Wage**

The rates of wages and fringe benefits to be paid each class of individuals employed by the Contractor, its subcontractors, their subcontractors, and all persons involved with the performance of this Contract in privity of contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Labor and Economic Development, Wage and Hour Bureau, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general contractors, prime contractors, project managers, trade contractors, and all of their contractors or subcontractors and persons in privity of contract with them.



The Contractor, its subcontractors, their subcontractors, and all persons involved with the performance of this contract in privity of contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the contract. You must also post, in a conspicuous place, the address and telephone number of the Michigan Department of Labor and Economic Development, the office responsible for enforcement of the wage rates and fringe benefits. You shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Contractor, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

### **2.307 Call Center Disclosure**

**Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this Contract.**

### **2.308 Future Bidding Preclusion**

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP, it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a leading edge on the competitive RFP.

#### *2.310 Reserved*

#### *2.320 Extended Purchasing*

### **2.321 MiDEAL**

Public Act 431 of 1984 permits DMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: <http://www.michigan.gov/doingbusiness/0,1607,7-146-6586-16656--,00.html>. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the local unit of government on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

### **2.322 State Employee Purchases (Reserved)**

#### *2.330 Federal Grant Requirements*

### **2.331 Federal Grant Requirements (Reserved)**



VTS MOTOR POOL  
ATTACHMENT A  
FUNCTIONAL REQUIREMENTS  
FOR A  
Vendor Hosted Solution

**CONTRACTOR Response to the Requirements**

The Contractor has responded to whether or not the proposed solution complies with each requirement as follows:

- a. The Contractor has checked the box that applies to each requirement in the columns labeled: **Yes, Yes with Customizations, or No**. A comment box was utilized to describe how the proposed solution complies with the requirement.
1. **Yes** – is defined as the Contractor’s solution complies with all aspects of the requirement and is currently a standard feature, or is configurable.
  2. **Yes with Customizations** – is defined as the solution does not currently comply with the requirement but the Contractor can modify the solution through programming or source code changes (customized) which, in the Contractor’s opinion, would result in their solution reaching full compliance with a requirement.

In the **comment box** the Contractor must describe the modification that will be made and how it will comply with the requirement. All such modifications are considered to be part of the solution being proposed and included, as a separate line item, in the bid price. If the customization will not be complete by the “go live” date, the Contractor must specify an anticipated date when the customization would be added to the solution, at no additional cost to the State. The State reserves the right to reject the Contractor’s proposed date and consider the solution not in compliance.

3. **No** – is defined as the Contractor’s proposed solution does not comply with all aspects of the requirement.
- b. The Contractor has labeled **Requirement Response (REQ Response)**, for each requirement with an **A, B, C, D, or E** as defined below.
- A. Currently, provided (Acceptable for all M,R,O).
  - B. Not currently provided but will be added as a supported system feature as part of bid price (Acceptable for M,R,O).
  - C. Not currently provided but believed non-essential by bidder (Acceptable for R and O).
  - D. Not currently provided but can be provided at additional cost (Acceptable for O and Some R)
  - E. Not available (Acceptable only for O).



The Contractor has used the comment box to provide any additional information related to the solution.

- Functional requirements identify what the product or system must do to enable performance of work tasks and any applicable service levels. Functional requirements for a Vendor Hosted Solution will also identify the general performance characteristics in which the system or product must work, such as: capacity requirements (number of users, concurrent users, number of transactions to be handled, peak usage), documentation, audit, and backup and recovery.

A	B	C	D	E	F	G
	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
1						
2	<b>Functionality</b>					
3	Be web-based with a demonstrated ability to manage 1,000 vehicles.	M	X			A
4	<b>Comment:</b> Agile's FleetCommander, web-base software successfully manages fleets ranging in size from 9 vehicles up to several thousand vehicles.					
5	Be accessible from personal computers.	M	X			A
6	<b>Comment:</b> FleetCommander is accessible from personal computers. Because it is web-based, only a browser is required to access the motor pool management system.					
7	Be accessible from multiple devices such as Blackberries and cellular phones	O			X	E
8	<p><b>Comment:</b> FleetCommander <u>is</u> accessible from Blackberries and cellular phones due to the web-based nature of the application. In addition, it is accessible via tablet PCs and other wireless devices. Standard emails from FleetCommander can be configured to be sent to Blackberries and cellular phones.</p> <p>However, the FleetCommander user interface has not been tailored for these devices and therefore is subject to formatting challenges. Agile welcomes the opportunity to discuss tailoring to achieve specific capabilities on Blackberries and cellular phones. Agile would entertain implementation in a cost-sharing relationship.</p>					
9	Integrates a secure self-serve pick up and return system to allow the operation of unattended Motor Pools. The "kiosk" would allow users access to enter a confirmation number, or other number, and obtain the vehicle key and fuel credit card.		X			A
10	* User "kiosks" at Motor Pool locations to allow:		X			A



A	B	C	D	E	F	G
	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
1						
11	- Driver access to the vehicle key and fuel credit card	M	X			A
12	<b>Comment:</b> FleetCommander's self-serve pickup and return system enables users to access keys and fuel cards 24-hours per day seven days per week. The kiosk and automated key box are valuable tools for streamlining use of staff and capturing valuable fleet metrics.					
13	- Print-out indicating the space location of the vehicle	O	X			A
14	<b>Comment:</b> The printed Travel Sheet indicates the space location of the vehicle as well as other critical information about use of the vehicle.					
15	- Driver entry of mileage and driver replacement of keys.	R	X			A
16	<b>Comment:</b> The kiosk includes an interface for recording parking space, ending mileage, and comments about problems with the vehicle. <i>The kiosk interface includes prompts for recording mileage</i>					
17	- Driver entry of problems with the vehicle.	O	X			A
18	<b>Comment:</b>					
19	- Printout indicating the cost of the vehicle use when picking up the vehicle.	O			X	E
20	<b>Comment:</b> The requirement here can be discussed to gain a better understanding. Any cost provided at the time of pick-up would only be, at best, an estimate. The actual cost of a trip can currently be provided to drivers upon return of the vehicle. We are interested in pursuing this as a change to the COTS FleetCommander product.					
21	* The kiosk can be accessed by touch pad, touch screen, card swipe, and other technologies.	R	X			A
22	<b>Comment:</b> The kiosk currently has support for touch screen input, rugged stainless steel keyboards, and trackballs.					
23	* The kiosks can be networked to a central Motor Pool administrations module and require a hard drive with back-up capability.	R	X			A
24	<b>Comment:</b> The current design includes kiosks networked to a central motor pool module. Kiosks currently require a hard drive. Backup power is a good idea with any kiosk/PC.					
25	* Kiosks are able to operate independently for a period of time in case of network or power failure.	R	X			A
26	<b>Comment:</b> Kiosks are able to operate during a power failure if they are on an uninterruptible power supply (proposed). However,					



A	B	C	D	E	F	G
1	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
	they can not operate in case of a network failure because kiosks are network devices. Therefore, if the network is down, the kiosk is down.					
27	* Ability to use electronic key boxes to be used in conjunction with the kiosks. The key boxes would need a backup battery source.	R	X			A
28	<b>Comment:</b> Key boxes are used in conjunction with kiosks. Internal battery backups are provided within the key box.					
29	Be able to be set up for different “companies” to allow use by non-VTS Motor Pools, specifically other State of Michigan departments that operate their own Motor Pools.	R	X			A
30	<b>Comment:</b> FleetCommander can easily be setup for different “Companies”. In FleetCommander, these are called “Sites”. In fact, Agile has already setup Michigan’s FleetCommander site with the sites designated in the RFP.					
31	<b>On-Line Vehicle Request Process</b>					
32	Drivers are able to access a web site and complete an online reservation form.	M	X			A
34	Provide an approval path for the requests.	O	X			A
35	<b>Comment:</b> Agile’s FleetCommander has a robust approval process that allows Administrators to, optionally, be involved in the approval process. Intuitive graphical interfaces allow Administrators to select the “right” vehicle for a request.					
36	Possess ability to prompt a response from the driver about whether policies had been read before allowing a reservation to be made.	O	X			A
37	<b>Comment::</b> At login, drivers that have not read policies are prompted to do so.					
38	Reservations are confirmed by an automatic email, and denials would generate an email stating that no vehicles are available when requested by the driver.	R	X			A
39	<b>Comment::</b> Administrative tools indicate when a vehicle is not available. Tools also indicate whether another type is available to fulfill the request. Administrators can use the “Send Notes” function to automatically notify drivers that another type of vehicle is available.					
40	Ability to make reservations for various types of vehicles and not specific vehicles.	R	X			A
41	<b>Comment::</b> This is a standard feature of FleetCommander.					



A	B	C	D	E	F	G
1	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
42	Indicate if an alternate vehicle type is available when the requested vehicle type is unavailable. The denial email would indicate the availability of the other type of vehicle.	O	X			A
43	Comment: Administrative tools indicate when a vehicle is not available. Tools also indicate whether another type is available to fulfill the request. Administrators can use the "Send Notes" function to automatically notify drivers that another type of vehicle is available.					
44	Be able to record beginning and ending points of travel, which can be queried in a report.	R		X		B
45	Comment: Data capture requirement exists. An existing report would be modified to filter on the beginning and ending points. This is anticipated to be completed in June, 2009.					
46	Ability to post information or notify driver of ride sharing opportunities.	O	X			A
47	Comment: Car Pool feature.					
48	Provide the estimated cost of the reservation upon return of the vehicle (assumes trip mileage is entered or computed from beginning and end points of travel).	O	X			A
49	Comment: Trip Receipt					
50	Compare costs of personal mileage and rental vehicles to Motor Pool reservation at time of reservation.	O			X	E
51	Comment: Most of this capability exists. Customization to use a pop-up during the Make Reservation process would be done. This is being listed as "No" because we can not commit to having this completed by a Go-Live date of December, 2008.					
52	<b>Motor Pool Management</b>					
53	Provide the ability to reuse license and equipment numbers while maintaining the historical information.	R	X			A
54	Comment					
55	Provide the ability to-segregate vehicles in reserve or "just in case" status for manual assignment.	O	X			A
56	Comment					





A	B	C	D	E	F	G
1	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
57	Show available vehicles by location or multiple locations for assignment.	O	X			A
58	Comment					
59	Provide information on late pickups and late returns by pool location.	R	X			A
60	Comment					
61	Identify and send standard feedback to drivers for no or late pickup of vehicles, late return of vehicles, vehicles returned in poor condition (dirty and debris), not sufficiently fueled and other conditions.	R		X		B
62	Comment: Sending of standard feedback to drives exists for No pickup, late pickup, and late return. Other mechanisms exist to communicate with drivers in a general nature. Specific tools to send standard feedback for vehicles returned in poor condition (dirty and debris), not sufficiently fueled, and other conditions are anticipated to be added by June, 2009.					
63	Assign and utilize vehicles based on driver needs and pre-determined criteria.	O	X			A
64	Comment					
65	Straightforwardly be able to schedule vehicles for maintenance or out of service.	R	X			A
66	Comment					
67	Provide utilization reports by location, by type of vehicle, and by departments, etc. and by day or month.	R	X			A
68	Comment					
69	Report on vehicle downtime or out of service time.	R	X			A
70	Comment					
71	<b>Driver database</b>					
72	Drivers have the ability to register to use the pool on-line, with appropriate safeguards.	R	X			A
73	Comment					
74	Provide capability of registering up to 10,000 drivers.	R	X			A



A	B	C	D	E	F	G
1	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
75	Comment					
76	Contain standard driver information including employee identification number, department, driver's license number and issuing state, e-mail address, office phone number, cell phone number, supervisor's name, supervisor's e-mail address, designated office location, and Motor Pool locations that are used and complete accounting codes.	R	X			A
77	Comment					
78	Contain information about driver behavior such as late returns, fueling late pickups, dirty vehicles, and other inappropriate behaviors.	R	X			A
79	Comment					
80	Be able to email policy reminders to all drivers by each specific location.	R	X			A
81	Comment					
82	Generate reports of denied reservations by location, department, and driver.	R	X			A
83	Comment:					
84	<b>Data</b>					
85	Be capable of accepting data modification with respect to accounting data, driver information, odometer recording, and billing.	R	X			A
86	Comment					
87	Be capable of accepting VIN and license plate number modifications.	R	X			A
88	Comment					
89	Provide capability for license plate tracking, renewal, and transfer (i.e., history and audit trail).	O	X			A
90	Comment					



A	B	C	D	E	F	G
	<b>FUNCTIONAL REQUIREMENTS</b>	<b>MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
1						
91	Provide capability to track a second license assigned to a vehicle.	O	X			A
92	Comment:					
93	Provide ability to download selected data to an Excel spreadsheet and/or Access database.	R	X			A
94	Comment					
95	Provide ability to generate routine, pre-determined reports that cover all phases of operations.	R	X			A
96	Comment. Requirement is vague; however, we believe our Asset In/Out Report covers the intended objective. This shows vehicles departing, vehicles returning, and vehicles currently in maintenance.					
97	Provide ability to produce ad hoc reports.	R	X			A
98	Comment: Ad hoc queries are done by using COTS query tools presumed to be available to technical staff with knowledge of relational databases. Prior to transition in to Michigan's hosting environment, Agile will be providing training on table structures and data definitions. This will facilitate ad hoc queries. Security rules (e.g. specific IP addresses) desired to be established will need to be defined by the State of Michigan.					
99	Ability to migrate existing data to new system.	R	X			A
100	Comment:					
101	<b>Accounting and Vehicle Billing</b>					
102	Provide ability to interface with the State's accounting system and VTS billing module. Include the ability to charge different rates for different vehicles by the hour, day, and week and by mileage.	M		X		B
103	Comment: Schedule to be provided after Contract orientation meeting. Anticipated delivery is within 45 days of completed specification.					
104	Provide ability to accommodate a fourteen-level accounting code structure of at least 65 characters (see below).	M	X			A
105	Comment:					

Accounting Item	Length	Cumulative length
1. Appropriation year	4	4
2. Agency Code	3	7



A	B	C	D	E	F	G
	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
1						
110		3. Index	5	12		
111		4. PCA	5	17		
112		5. Comptroller Object	4	21		
113		6. Agency Object	4	25		
114		7. Project Number	6	31		
115		8. Project Phase	2	33		
116		9. Grant Number	6	39		
117		10. Grant Phase	2	41		
118		11. Agency Code 1	4	45		
119		12. Agency Code 2	4	49		
120		13. Agency Code 3	6	55		
121		14. Multipurpose Code	10	65		
122						
123	14 fields, 65 total characters					
124	Comment					
125	Be capable of creating customer invoices in electronic and paper formats.	R	X			A
126	Comment					
127	Be capable of applying billing rates by selected time period and equipment class.	M	X			A
128	Comment					
129	Provide ability to distribute fixed and variable charges to multiple accounts.	O			X	E
130	Comment: There is insufficient information available to understand or implement this requirement.					
131	Be capable of creating FTP files to communicate with the State's accounting system.	R	X			A
132	Comment					
133	Interface					



A	B	C	D	E	F	G
1	FUNCTIONAL REQUIREMENTS	MANDATORY (M) OR REQUIRED (R) OR OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
134	Develop an interface for transmitting billing information to the existing M4 Fleet Management system. This interface will transmit vehicle number, ticket number, license plate number, driver name, date, mileage, charges, and pool identifier via an ASCII text file, or other method to be agreed upon with VTS and the M4 contractor. This interface must be executed at least monthly.	R			X	E
135	<b>Comment:</b> <i>Per responses to RFP questions, this requirement is no longer valid.</i>					
136	<b>Accessibility</b>					
137	To the extent possible, the system should comply with both the Americans With Disabilities Act (ADA) and the Priority 1 Level Checkpoints of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines 1.0. Along with Priority 1 compliance, compatibility with common technologies utilized by the adaptive community is desired such as screen magnification software, screen-reading software, and text-only browsers.	R	X			A
138	<b>Comment:</b> FleetCommander is a COTS product. To the extent that it does not currently comply with all subject ADA requirements, Agile will incrementally implement requirements in accordance with the State's priorities.					



VTS MOTOR POOL  
ATTACHMENT B  
TECHNICAL REQUIREMENTS  
FOR A VENDOR HOSTED SOLUTION

**CONTRACTOR response to the Requirements**

The Contractor has responded to whether or not the proposed solution complies with each requirement as follows:

- a. The Contractor has checked the box that applies to each requirement in the columns labeled: **Yes, Yes with Customizations, or No**. A comment box was utilized to describe how the proposed solution complies with the requirement.
  1. **Yes** – is defined as the Contractor’s solution complies with all aspects of the requirement and is currently a standard feature, or is configurable.
  2. **Yes with Customizations** – is defined as the solution does not currently comply with the requirement but the Contractor can modify the solution through programming or source code changes (customized) which, in the Contractor’s opinion, would result in their solution reaching full compliance with a requirement.

In the **comment box** the Contractor must describe the modification that will be made and how it will comply with the requirement. All such modifications are considered to be part of the solution being proposed and included, as a separate line item, in the bid price. If the customization will not be complete by the “go live” date, the Contractor must specify an anticipated date when the customization would be added to the solution, at no additional cost to the State. The State reserves the right to reject the Contractor’s proposed date and consider the solution not in compliance.

3. **No** – is defined, as the Contractor’s proposed solution does not comply with all aspects of the requirement.
- b. The Contractor has labeled **Requirement Response (REQ Response)**, for each requirement with an **A, B, C, D, or E** as defined below.
    - A.** Currently, provided (Acceptable for all M,R,O).
    - B.** Not currently provided but will be added as a supported system feature as part of bid price (Acceptable for M,R,O).
    - C.** Not currently provided but believed non-essential by bidder (Acceptable for R and O).
    - D.** Not currently provided but can be provided at additional cost (Acceptable for O and Some R)
    - E.** Not available (Acceptable only for O).





The Contractor has used the comment box to provide any additional information related to the solution.

1. Technical Requirements for a Vendor Hosted Solution will identify what the solution or product must run on or integrate with, including any standards that must be met, security requirements, and interfaces. Technical requirements for a Vendor Hosted Solution will also identify the general framework, in which the system or product must work, such as: capacity requirements (number of users, concurrent users, number of transactions to be handled, peak usage), documentation, audit and backup and recovery.
2. Amendments to original requirements:
  - 34 – Requirement removed
  - 38 – Requirement removed
  - 52 – Requirement removed
  - 61 – Discuss at Contract Orientation meeting
  - 108 - Discuss at Contract Orientation meeting
  - 151 - Removed the requirement for biometrics
  - 207 – Removed requirement
  - 253 – Removed requirement
  - 256 – Updated Agile response.
  - 267 – Updated Agile response.
  - 315 – Agile’s timetable (12/2009) acknowledged.
  - 349 – Removed requirement
  - 353 – Agile’s comments acknowledged
  - 355 – Removed requirement
  - 409 – Agile’s comments acknowledged
  - 413 – Agile’s comments acknowledged
  - 417 – Agile’s comments acknowledged
  - 444 through 468 are all to be contained in the detailed Project Plan.
  - 470 – Updated Agile response
  - 472 – Documentation amended in process
  - 487 – OK with what Agile proposes.
  - 489 – Requirement removed. Agile will provide the State with a copy of their hosting centers' published Hosting Security Description.
  - 502 – Removed requirement
  - 504 – Remove requirement for biometrics
  - 520 – Removed requirement



A	B	C	D	E	F	G
1	TECHNICAL REQUIREMENTS	MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
2	<b>Access Control (AC)</b> NIST control numbers included where applicable					
3	Organizations must limit information system access to authorized users, processes acting on behalf of authorized users, or devices (including other information systems) and to the types of transactions and functions that authorized users are permitted to exercise.					
4	<ul style="list-style-type: none"> <li>Access Control Policy &amp; Procedure documented, reviewed and updated (AC-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
5	Comments:					
6	<ul style="list-style-type: none"> <li>Management of accounts (AC-2)</li> </ul>	R	X			A
7	Comments: See proposal response, Section 3, for Server and application management of accounts.					
8	<ul style="list-style-type: none"> <li>Comply with MDIT and Organization policies and procedures</li> </ul>	R	X			A
9	Comments: Agile has reviewed the MDIT and Organization policies and procedures and we believe we comply with the intent of those points of guidance.					
10	<ul style="list-style-type: none"> <li>A unique user ID and password is required for access (AC-3)</li> </ul>	M	X			A
11	Comments: User IDs are unique. Passwords are required for access.					
12	<ul style="list-style-type: none"> <li>Tighten default settings to prevent unauthorized access</li> </ul>	R	X			A
13	Comments: Application settings can be established by site and by function on a user-by-user basis.					
14	<ul style="list-style-type: none"> <li>Disable inactive accounts</li> </ul>	R	X			A
15	Comments: Accounts can be inactivated in the application. We never actually delete accounts in order to maintain a history. Server level accounts are disabled manually.					
16	<ul style="list-style-type: none"> <li>Terminate temporary and emergency accounts</li> </ul>	R	X			A
17	Comments: We do not recognize the term "temporary" and "emergency" accounts. These would be treated just as any account within the application.					
18	<ul style="list-style-type: none"> <li>The system automatically locks an account until released by an administrator when five unsuccessful attempts is exceeded. (AC-7)</li> </ul>	M		X		C
19	Comments: The system automatically locks an account after a configurable number of unsuccessful attempts is exceeded. The lock remains in place for the configurable amount of time. That is, your Enterprise Administrator can configure the number of unsuccessful attempts and the duration of the					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
	<p>lockout. This security mechanism is typically in place to prevent automated systems from attempting to hack the system. Locking out, for any period of time, is a significant deterrent to this type of hacking. We have had not reported cases, from any FleetCommander Administrators, of any breach of security of FleetCommander.</p> <p><b>NOTE:</b> NIST requirement AC-7 does NOT require that locks be released by an Administrator.</p>					
20	<ul style="list-style-type: none"> <li>System displays an approved message of use restrictions before granting access. (AC-8)</li> </ul>	R	X			A
21	Comments: The message of use text is configurable by your Enterprise administrator via FleetCommander administrative user interfaces.					
22	<ul style="list-style-type: none"> <li>Role based access controls must be applied to databases, applications, or computer hosts that contain protected information. (AC-4)</li> </ul>	R	X			A
23	Comments: See response to requirement #27 in this table.					
24	<ul style="list-style-type: none"> <li>Firewall rules, Access Control Lists. (AC-4)</li> </ul> <p>SOM - Hosting environment/architecture should be designed such that security zones are separated by Firewalls. Firewalls to be configured such that ALL access is denied by default, and ALL rules allowing access to require (at a minimum) configuration with the following available granularity: Source IP(s), Destination IP(s), Port(s), Service(s), Protocol(s).</p>	R	X			A
25	Comments: See proposal response.. Rules are capable of being implemented to meet this requirement during the time period that the application is hosted by Agile. IP ranges would be restricted based upon requirements and IP ranges provided to Agile after contract award.					
26	<ul style="list-style-type: none"> <li>Separation of Duties through assigned access authorizations. (AC-5)</li> </ul>	R	X			A
27	Comments: FleetCommander "permissions" are used to separate duties within the application. The table below shows just a subset of the permissions that are within FleetCommander.					



A	B		C	D	E	F	G
1	TECHNICAL REQUIREMENTS		MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
		System Role	Description				
		Administrator	Allowed access to most administrative fleet data and functions. For example, administrators can view and edit asset and user profiles as well as make configuration changes to the FleetCommander application. Site administrators are limited to the configuration changes they can make. Enterprise administrators have the broadest powers. They can customize on-line forms and system behavior.				
		Dispatcher	Granted access to forms needed to assign vehicles to requests and dispatch vehicles out and in. The dispatcher can view and edit user and asset profiles. The dispatcher cannot make FleetCommander configuration changes.				
		Maintenance	Granted access to functions needed to perform maintenance functions, including work orders, maintenance screens, and vehicle profiles.				
		Driver	Allowed to be assigned to a vehicle request, i.e., this is the person that will be held accountable while the vehicle is being driven.				
		Requestor	May make a request on behalf of drivers (either themselves or someone else). For example, an administrative clerk may have permission to make request for the dean of the school, but may not have "Driver" permissions that would enable her/him to drive a vehicle.				
		Inspector	Granted access to functions that manage the inspection of vehicles (if this function is performed).				
		Prep	Granted access to functions that manage the prep (cleaning, re-fueling, etc.) of vehicles.				
	A flexible permission structure is used to restrict access throughout FleetCommander.						
28	● Initiate session lock after period of inactivity. (AC-11)		R	X			A
29	Comments: This capability exists in FleetCommander. The duration of the period of inactivity is configured by your Enterprise Administrator. See screenshot provided in response to requirement #19 above.						
30	● Initiate disconnect on remote connection after period of inactivity. (AC-12)		R	X			A
31	Comments						
32	● Auditing of account creation, modification, disabling and termination		R	X			A
33	Comments: The level of auditing is minimal. FleetCommander currently captures the UserName associated with the following events: Account creation (Created By) and any editing of an account (Modify By).						



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
34	Removed requirement					
35	Comments:					
36	• System limits the number of concurrent sessions. (AC-10)	R		X		B
37	Comments: FleetCommander currently keeps a log of every attempt to log in to the system, their time, and IP addresses from which the request originates. FleetCommander will implement a system which keeps track of when a user logs out, or when their session expires. A systems administrator within FleetCommander will be able to configure the number of concurrent sessions a user can have, at the enterprise level. This is anticipated to be completed by June, 2009. There is no additional cost for this.					
38	Removed requirement					
39	Comments:					
40	• Minimum (FIPS 140-2 compliant) 128-bit encryption during transmissions.	M	X			A
41	Comments: SSL, 128-bit encryption is used for all transmissions.					
42	• Review audit records (e.g., user activity logs) on a regular basis. (AC-13)	M	X			A
43	<p>Comments: There are two primary application-level tools to enable Administrators to review audit records. In addition, firewall logs and server logs can be reviewed on a regular basis.</p> <p>1. The System Report shows a record of login attempts and successes. Note that IP addresses are recorded.</p> <p><i>At the application level, the System Report shows logins and other key audit data</i>  <i>Critical application functions, such as vehicle requests, maintain their own audit log of activities.</i></p>					
44	<p>• Remote access is controlled. (AC-17)</p> <p>Additional SOM requirement(s): Direct remote server access is only allowed via VPN (minimum 128-bit FIPS 140-2 compliant encryption) with the use of 2-factor authentication.</p>	R		X		C
45	Comments: Agile restricts remote server access to only specific IP addresses. We do not even let in a range of IP addresses, but rather a specific IP address. We then require 2-factor authentication. We are open to discuss this requirement further if SOM determines that restriction by IP address is not sufficient.					
46	• Inter-organizational access is controlled. (AC-20)	R	X			A
47	Comments: Michigan's application and data will be physically separated from other organizations. Agile's security, described in our proposal text, appears to meet the requirements specified in NIST AC-20.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
48	• Least Privilege – Access restrictive set of rights/privileges or accesses needed. (AC-6)	R	X			A
49	Comments:					
50	• Ensure that access to security functions (hardware, software, and firmware) and information is restricted to authorized personnel.	M	X			A
51	Comments					
52	Removed requirement					
53	Comments:					
54	• NO wireless access is allowed anywhere on the same physical network where SOM information is either stored or accessed.	M	X			A
55	Comments: No wireless access is allowed on the same physical network.					
56	• Organization to administer all access requests, changes, and deletions and is to abide by mutually agreed upon and documented standards and procedures approved by the State.	R	X			A
57	Comments					
58	• The system provides the ability to enforce minimum length and minimum complexity rules for passwords.	M	X			A
59	Comments					
60	• The system is compatible with Active Directory authentication and authorization mechanisms.	R	X			A
61	Comments: Note: There are several different ways in which Active Directory can be tied in with FleetCommander. The exact implementation would be discussed with Michigan after contract award or as part of award discussions.					





A	B	C	D	E	F	G
1	TECHNICAL REQUIREMENTS	MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
62	<b>Awareness &amp; Training (AT)</b> NIST control numbers included where applicable					
63	Organizations must: (i) ensure that managers and users of organizational information systems are made aware of the security risks associated with their activities and of the applicable laws, Executive Orders, directives, policies, standards, instructions, regulations, or procedures related to the security of organizational information systems; and (ii) ensure that organizational personnel are adequately trained to carry out their assigned information security-related duties and responsibilities.					
64	<ul style="list-style-type: none"> <li>A documented security awareness and training policy and procedure developed and distributed to all employees. (AT-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
65	Comments: This will be described in the Detailed Project Plan deliverable.					
66	<ul style="list-style-type: none"> <li>System users receive security awareness training prior to authorizing access. (AT-2)</li> </ul>	R	X			A
67	Comments					
68	<ul style="list-style-type: none"> <li>Personnel who have significant system security roles or responsibilities receive appropriate security training based on that role. (AT-3)</li> </ul>	R	X			A
69	Comments					
70	<ul style="list-style-type: none"> <li>Document and monitor individual security training activities. (AT-4)</li> </ul>	R		X		B
71	Comments: Formal training is not in place due to the limited number of persons involved with the administration of the server environment. Access to production servers is limited to two individuals only. Both individuals are trusted, senior-level staff members that are provided access due to their "need to know". Documentation and monitoring procedures will be modified, at Agile's expense, with guidance from SOM.					
72	<ul style="list-style-type: none"> <li>Acceptable Use Policy</li> </ul>	R	X			A
73	Comments: Agile's "Acceptable Use Policy" covers all non-production computers. Production computers are strictly controlled and only production jobs are run on those servers.					
74	<ul style="list-style-type: none"> <li>Information disclosure and confidentiality statements, are posted throughout the facility</li> </ul>	R		X		B
75	Comments: This is not a current company policy. This can and will be implemented as requested. Information disclosure and confidentiality					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
	statements are provided in our Employee Handbook. All employees acknowledge, in writing, receipt of the Employee Handbook.					
76	<b>Audit &amp; Accountability (AU)</b> NIST control numbers included where applicable Organizations must: (i) create, protect, and retain information system audit records to the extent needed to enable the monitoring, analysis, investigation, and reporting of unlawful, unauthorized, or inappropriate information system activity; and (ii) ensure that the actions of individual information system users can be uniquely traced to those users so they can be held accountable for their actions.					
77						
78	<ul style="list-style-type: none"> <li>A documented audit and accountability policy (AU-1)</li> </ul> Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.	<b>M</b>	<b>X</b>			<b>A</b>
79	Comments:					
80	<ul style="list-style-type: none"> <li>System generates Audit Records for Organization/DIT defined events. (AU-2)</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
81	Comments: FleetCommander generates and keeps track of organization defined events within the application.					
82	<ul style="list-style-type: none"> <li>Audit record should contain: data and time of the event, subject identity, type of event, how data changed, where the event occurred, and the outcome of the event. (AU-3) (AU-8)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
84	<ul style="list-style-type: none"> <li>Sufficient audit storage capacity should be allocated. (AU-4)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
85	Comments					
86	<ul style="list-style-type: none"> <li>System alerts if audit log generation fails. (AU-5)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
87	Comments: System currently provides an error message to FleetCommander system administrator when audit generation fails.					
88	<ul style="list-style-type: none"> <li>System protects audit information from unauthorized access. (AU-9)</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
89	Comments					
90	<ul style="list-style-type: none"> <li>Audit record should be reviewed on a regular basis. (AU-6)</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
91	Comments					
92	<ul style="list-style-type: none"> <li>Audit logs are stored for sufficient period of time. (AU-7) (AU-11)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
93	Comments					
94	<ul style="list-style-type: none"> <li>System automatically processes audit records for events of interest. (AU-7(1))</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
95	Comments: Audit records captured by the system for events of interest are viewable on-line, and in the form of reports, without affecting the stored, audit record data.					
96	<b>Certification &amp; Accreditation (CA) NIST</b> <b>control numbers included where applicable</b>					
97	Organizations must: (i) periodically assess the security controls in organizational information systems to determine if the controls are effective in their application; (ii) develop and implement plans of action designed to correct deficiencies and reduce or eliminate vulnerabilities in organizational information systems; (iii) authorize the operation of organizational information systems and any associated information system connections; and (iv) monitor information system security controls on an ongoing basis to ensure the continued effectiveness of the controls.					
98	<ul style="list-style-type: none"> <li>Provide documentation with the proposal that hosting environment (Organization) security processes and controls meet COBIT framework standards.</li> </ul> <p>Provide any third party audit certification of these processes in response to this bid and the schedule for certification renewals.</p>	O			X	C
99	Comments: Agile's hosting service provider, Peer1, does not currently meet COBIT framework standards. Peer1 is a best-in-class hosting provider. They are currently in process of becoming SAS 70 certified. The SAS 70 audit will be modeled after COBIT standards, however, this is still in the works. It's a long process to become SAS 70 certified, so it may be another year before it's complete.					
100	<b>Configuration Management (CM) NIST</b> <b>control numbers included where applicable</b>					
101	Organizations must: (i) establish and maintain baseline configurations and inventories of organizational information systems (including hardware, software, firmware, and documentation) throughout the respective system development life cycles; and (ii) establish and enforce security configuration settings for information technology products employed in organizational information systems					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
102	<ul style="list-style-type: none"> <li>A documented configuration management policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (CM-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	<b>M</b>	<b>X</b>			<b>A</b>
103	Comments: Document to be provided in the Deliverable, "Configuration Management Plan"					
104	<ul style="list-style-type: none"> <li>Organization develops, documents, and maintains current baseline configuration of system. (CM-2)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
105	Comments: All baselines are maintained under configuration control.					
106	<ul style="list-style-type: none"> <li>Organization develops, documents, and maintains mandatory security configuration settings of system. (CM-6)</li> </ul>	<b>R</b>		<b>X</b>		<b>C</b>
107	Comments: This information is maintained in the form of System Administrators notes and logs. This is not currently in a form that could be delivered. Relevant configuration settings would be communicated to State of Michigan personnel during Transition-related training sessions. This will be provided in the training documentation 60 days prior to the transition to SOM's environment.					
108	<ul style="list-style-type: none"> <li>System components are documented with relevant ownership information. (CM-8)</li> </ul>	<b>R</b>			<b>X</b>	<b>C</b>
109	Comments: All FleetCommander components are managed by a single organization. As such, this documentation does not appear to be business critical. Agile would welcome a discussion on the topic after further clarification of the requirement.					
110	<ul style="list-style-type: none"> <li>Define the mechanism by which changes to applications, network, infrastructure or other IT components are planned, communicated, authorized, documented, tested, and coordinated.(CM-3)(CM-5)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
111	<p>Comments:</p> <p>All work activities performed in support of the FleetCommander application are tracked via Agile's Tracking System, nicknamed "SOS". All new work for, or any issues identified, are entered in to SOS as discrete tasks.</p> <p>Client issues and enhancements are reported in SOS via the centralized support email address, FCsupport@AgileFleet.com or via our technical support line, 408-213-9555 x2. All items are initially assigned to Agile's Senior Web Development lead.</p> <p>The following guidelines are the guidelines used by FleetCommander development staff:</p> <p><b>GUIDELINES FOR FLEETCOMMANDER STAFF</b></p> <ul style="list-style-type: none"> <li>All issues are reported and managed via SOS. Do not report issues via email, telephone, excel, or other methods, without having entered it into SOS first.</li> <li>All newly created SOS items created by external clients should be assigned to Agile's Senior Web Development Lead.</li> <li>When it comes to supporting spreadsheets, screenshots, or other files, attach them to the related SOS bug. Maintaining notes or electronic files outside of</li> </ul>					



A	B	C	D	E	F	G
1	TECHNICAL REQUIREMENTS	MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
	<p>SOS results in multiple copies of the same document floating around and it limits who has access to all of the needed information. A side benefit is that we have a good record of how the documents change over time.</p> <ul style="list-style-type: none"> <li>For larger projects, a design document may be created with the collaboration of Agile and our clients. A design document should be used if either party is not comfortable that both Agile and the client understand the project to within 95% certainty. Another recommended benchmark is that any project that is more than 40 hours in duration should have a Design Document. Ultimately, however, tasks pulled from the design document will be entered into SOS for tracking by Agile once the document is approved. The Design Document is the source of the SOS items. SOS is used to track progress. No change in definition is allowed between the Design Document and the input to SOS.</li> </ul> <p><b>ASSIGNEE</b></p> <ul style="list-style-type: none"> <li>The person currently assigned the SOS item is responsible for it. They should take the next action whether it is addressing the issue described, answering questions posted in comments, or simply assigning it to another user.</li> </ul> <p><b>PRIORITY</b></p> <ul style="list-style-type: none"> <li><b>Critical</b> should only be assigned to bugs of immediate urgency. This should be limited to items causing a severe impact where the client is unable to use the application or cannot reasonably work around an issue. AGILE handles critical bugs in a particularly sensitive manner and developers are instructed to drop anything they are currently working on to address them. <b>Critical</b> should NOT be used as a priority for new features or enhancements. An issue affecting only the Development environment should not be classified as Critical.</li> <li><b>High 1 – High 3</b> should be assigned to bugs and enhancements related to important features. Bugs assigned a High priority significantly impact client's operations and should generally be limited to items for which there is no acceptable alternative solution. <b>High 2</b> and <b>High 3</b> should not be underutilized and are helpful to further classify High priority items.</li> <li><b>Medium 1 – Medium 5</b> should be assigned to bugs and enhancements related to features of moderate importance. Bugs assigned a Medium priority should have some impact to the client's operations. <b>Medium 2, Medium 3, Medium 4, and Medium 5</b> should not be underutilized and are helpful to further classify Medium priority items.</li> <li><b>Low 1 – Low 5</b> should be assigned to bugs and enhancements related to features of lesser importance. Bugs assigned a Low priority should have minimal impact to the client's operations. <b>Low 2, Low 3, Low 4, and Low 5</b> should not be underutilized and are helpful to further classify Low priority items.</li> <li><b>For now, all other priorities should not be used.</b></li> </ul> <p><b>STATUS</b></p> <ul style="list-style-type: none"> <li><b>Open</b> bugs are either in progress or currently in queue for a developer to address.</li> <li><b>Development Completed</b> bugs have been addressed but are not ready for testing/review.</li> <li><b>Ready To Test</b> bugs are ready for testing <u>by the assignee</u>. Note that Agile will only assign items to the client once they are ready to be tested by the client.</li> <li><b>Passed Test</b> bugs have been tested or reviewed satisfactorily by the client.</li> <li><b>Failed Test</b> bugs have been tested or reviewed unsatisfactorily and require additional work to complete. After a bug is marked "Failed Test", it should be re-opened. A useful convention is to add a "*" prior to the SOS title to indicate that the item has failed at least once.</li> </ul> <p>Please note: It is the responsibility of the person testing to open a new SOS bug for any additional issues discovered during the testing phase of a release. New issues should not be tacked onto failed bugs.</p>					



A	B	C	D	E	F	G
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	<ul style="list-style-type: none"> <li>• <b>Could Not Reproduce</b> bugs have been reviewed but the reported issue could not be reproduced.</li> <li>• <b>ECR-Needs Review</b> bugs have been reviewed and either require clarification or further analysis before a developer can address them.</li> <li>• <b>For now, all other statuses should not be used.</b></li> </ul> <p><b>MILESTONES</b></p> <ul style="list-style-type: none"> <li>• Milestones are logical blocks of changes to FleetCommander.</li> </ul> <p><b>RELEASES</b></p> <ul style="list-style-type: none"> <li>• Software releases are released to the Test Environment. The Test Environment isolates software from both the Development environment and the Production environment.</li> <li>• Releases occur at pre-coordinated intervals. It is anticipated that releases will occur at intervals of approximately every 120 days. Release schedules are planned and reviewed in the weekly status meetings.</li> <li>• Releases to the Production environment must be scheduled at least 48 hours in advance. Releases are to be avoided on Thursdays or Friday if possible, as this increases the chances that weekend support will be required.</li> <li>• With the exception of critical items, releases are NOT performed out of cycle. With regards to critical items, Agile will make its best effort to release critical items at the first available opportunity. However, for technical reasons, these releases will be handled on a case-by-case basis. Release of any critical items out of cycle will be coordinated with any affected clients.</li> </ul> <p>The above described process is used to successfully implement regularly scheduled FleetCommander updates as well as major custom software engineering projects that integrate seamlessly with FleetCommander. Agile's reference clients can attest to the comprehensive and successful nature of our QA, configuration control, and test processes.</p>					
112	• System changes are monitored and security impact analyses are performed to determine the effects of the changes. (CM-4)	R	X			A
113	Comments: The FleetCommander hosting environment is rather static. Since a significant upgrade in February of 2008, few changes have been made. All system changes are monitored and security impact analysis is reviewed amongst the Web Lead and Agile's Senior Management team.					
114	• Organization configures system to provide only essential capabilities based on functions, ports, protocols, and/or services. (CM-7)	R	X			A
115	<b>Continuity Planning (CP)</b> NIST control <b>numbers included where applicable</b>					
116	Organizations must establish, maintain, and effectively implement plans for emergency response, backup operations, and post-disaster recovery for organizational information systems to ensure the availability of critical information resources and continuity of operations in emergency situations.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
117	<ul style="list-style-type: none"> <li>A documented Continuity Planning policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (CP-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	<b>M</b>	<b>X</b>			<b>A</b>
118	Comments:					
119	<ul style="list-style-type: none"> <li>Develop, implement, and periodically review a continuity plan that addresses roles &amp; responsibilities, assigned individuals with contact information, and activities associated with restoring the system after a disruption or failure, (CP-2)</li> </ul> <p>Additional SOM requirement(s): Organization to provide, with the approval and participation of the State, a Disaster Recovery Plan (DRP). Organization agrees to complete the DRP prior to production cutover.</p>	<b>R</b>	<b>X</b>			<b>A</b>
120	Comments: Existing version of this document is for internal use only. A deliverable has been added in Master Project Schedules in the time frame prior to production cut-over.					
121	<ul style="list-style-type: none"> <li>Review Continuity Plan periodically and revise the plan based on system or personnel changes. (CP-5)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
122	Comments					
123	<ul style="list-style-type: none"> <li>Backups of user-level and system-level information stored at appropriately secured location. (CP-9)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
124	Comments					
125	<ul style="list-style-type: none"> <li>Mechanisms with procedures are in place to allow full system recovery and reconstitution to fully secure state. (CP-10)</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
126	Comments: RAID technology and backup processes ensure this level of recovery.					
127	<ul style="list-style-type: none"> <li>Train personnel in their contingency roles and responsibilities with respect to the information system and provides refresher training. (CP-3)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
128	Comments:					





A	B	C	D	E	F	G
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129	<ul style="list-style-type: none"> <li>Backups of user-level and system-level information is stored at alternate storage site and is geographically separated from the primary storage site. (CP-6)</li> </ul>	R	X			A
130	Comments: Default backup policy includes a regular backup stored to a SAN at the data center. The backup data is also stored at an alternate, geographically separated, site more than two thousand miles away from the primary site.					
131	<ul style="list-style-type: none"> <li>Alternate processing site identified and agreements in place. (CP-7)</li> </ul> <p>Additional SOM requirement(s): An alternate Server capable of meeting the applications' processing and storage requirements, and all requisite floor space, utilities, and technical staff at the Organizations disaster recovery site.</p>	R	X			A
132	Comments: Our current hosting provider has geographically separate remote locations. The backup server is resident at an alternate, geographically separated, site more than two thousand miles away from the primary site.					
133	<ul style="list-style-type: none"> <li>Alternate site telecommunications are identified and agreements in place. (CP-8)</li> </ul> <p>Additional SOM requirement(s): The establishment of a network connection, an alternate server and the State interface is the Contractor's responsibility.</p>	R	X			A
134	Comments:					
135	<b>Identification &amp; Authentication (IA) NIST control numbers included where applicable</b>					
136	Organizations must identify information system users, processes acting on behalf of users, or devices and authenticate (or verify) the identities of those users, processes, or devices, as a prerequisite to allowing access to organizational information systems.					
137	<ul style="list-style-type: none"> <li>Identification and Authentication Policy &amp; Procedure documented, reviewed and updated (IA-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
138	Comments: Requires updates prior to delivery. Available 90 Days after contract award.					



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139	<ul style="list-style-type: none"> <li>Unique Authentication of a user's identity is accomplished through the use of passwords, tokens, biometrics. (IA-2)Additional SOM requirement(s): At a minimum, the use of "unique" login/password credentials is required for system/application access.</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
140	Comments					
141	<ul style="list-style-type: none"> <li>Management of accounts. (IA-4)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
142	Comments					
143	<ul style="list-style-type: none"> <li>Authentication information (e.g., password or PIN) must never be disclosed to another user or shared among users. (IA-5)</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
144	Comments: Note, at the application level, all passwords/pins are hidden.					
145	<ul style="list-style-type: none"> <li>Authentication information feedback to user is obscured (e.g., asterisks in password field). (IA-6)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
146	Comments: Passwords are obscured by asterisks.					
147	<ul style="list-style-type: none"> <li>Authentication systems employs methods that meet requirements of applicable laws, Exec Orders, policies, and standards. (IA-7)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
148	Comments: Note: The NIST Requirement, IA-7, does not specify the superset of laws, orders, policies and standards that must be complied with. The only encryption currently done other than SSL encryption is performed via an Agile-based encryption algorithm.					
149	<ul style="list-style-type: none"> <li>Identify and authenticate devices (e.g., MAC, TCP/IP, etc.). (IA-3)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
150	Comments: This is implemented where appropriate, i.e., via firewalls.					
151	<ul style="list-style-type: none"> <li>Authentication of a user's identity is accomplished through the use of multifactor passwords, or tokens. (IA-2)</li> </ul> <p>Additional SOM requirement(s): For "direct" access to servers/data (outside of normal web application access), such as in SOM database administrators direct access to raw data held in servers/tables, 2-factor authentication will be required. An example would be the use of RSA SecurID tokens (which the SOM currently uses).</p>	<b>M</b>		<b>X</b>		<b>C</b>
152	Comments: Authentication to server is currently via User Name and Password at the server level. Additional authentication occurs at the database level. This authentication occurs only after accessing the server from a specific IP address. Please confirm that the term "multifactor password" was intended. This term does not appear to be part of NIST IA-2.					



A	B	C	D	E	F	G
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153	<ul style="list-style-type: none"> <li>A secure means whereby the system/application differentiates between internal network logon credentials (as in individuals who support/manage the system/application), and external "users". (Perhaps a separate URL, or VPN client, which is only accessible via the Intranet when managing the system/application?).</li> </ul> <p>The system/application (or use of implemented policies/procedures) must further deny the creation of accounts which have identical internal/external user names and/or passwords.</p> <p>For example: It's possible for an individual to have separate network access roles...one as an "internal" system administrator...and another as an external user/client. In such cases, "internal" login credentials must NOT match "external" login credentials.</p>	<b>R</b>	<b>X</b>			<b>A</b>
154	<p>Comments: Access to login to support the server-level functions is via a different method entirely than login to the application.</p> <p>Only two Agile System Administrators handle creation of user names for technical staff to access the server. If the SOM's policy is to ensure that a system-level Username can not be the same as a Username recognized by the application, this can be implemented via policy at no cost.</p> <p>Note, modifications are in-progress to provide additional capabilities with respect to internal network logon credentials versus network logon credentials. This change is, however, being made specifically to decide which method of authentication is to be used. More details on Michigan's requirements are needed to fully understand the desired capability. We believe we meet the stated requirements, but would welcome more requirements discussion.</p>					
155	<b>Incident Response (IR) NIST control numbers included where applicable</b>					
156	<p>Organizations must: (i) establish an operational incident handling capability for organizational information systems that includes adequate preparation, detection, analysis, containment, recovery, and user response activities; and (ii) track, document, and report incidents to appropriate organizational officials and/or authorities.</p>					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
157	<ul style="list-style-type: none"> <li>Documented and implemented Incident Response Policy &amp; Procedure. (IR-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
158	Comments:					
159	<ul style="list-style-type: none"> <li>Incident handling form for consistent, repeatable process for monitoring and reporting when dealing with incidents. (IR-4) (IR-5) (IR-6)</li> </ul>	R	X			A
160	Comments. Agile's on-line tracking system is use to meet this requirement. Technical Support staff has a consistent and repeatable process for dealing with incidents via our tool, SOS.					
161	<ul style="list-style-type: none"> <li>Incident response resource identified to assist users in handling and reporting incidents. (IR-7)</li> </ul>	R	X			A
162	Comments					
163	<ul style="list-style-type: none"> <li>Network set up with a monitoring system that pages the Network Administrator in the event of any failure, 24 hours a day, 7 days a week, allowing for immediate response to minimize potential downtime.</li> </ul>	O	X			A
164	Comments: Currently monitoring is via a tool named: IPMonitor					
165	<ul style="list-style-type: none"> <li>If an outage is expected, the MDOS main contact is to be notified as far in advance as possible once the Organization is aware of the scheduled outage.</li> </ul>	R	X			A
166	Comments: Customers are notified in advance of all scheduled outages.					
167	<b>Maintenance (MA)</b> NIST control numbers included where applicable					
168	Organizations must: (i) perform periodic and timely maintenance on organizational information systems; and (ii) provide effective controls on the tools, techniques, mechanisms, and personnel used to conduct information system maintenance.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
169	<ul style="list-style-type: none"> <li>A documented Maintenance policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (MA-1)Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</li> </ul>	<b>M</b>	<b>X</b>			<b>A</b>
170	Comments					
171	<ul style="list-style-type: none"> <li>Organization schedules, performs, documents, and reviews records of preventative and regular maintenance. (MA-2)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
172	Comments					
173	<ul style="list-style-type: none"> <li>Organization authorizes, monitors, and controls any remote maintenance. (MA-4)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
174	Comments					
175	<ul style="list-style-type: none"> <li>Organization allows only authorized personnel to perform maintenance. (MA-5)</li> </ul> <p>Additional SOM requirement(s): Manufacturer Certified Personnel used for maintenance and support activities.</p>	<b>R</b>	<b>X</b>			<b>A</b>
176	Comments					
177	<ul style="list-style-type: none"> <li>Organization approves, controls, and monitors the use of maintenance tools. (MA-3)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
178	Comments					
179	<ul style="list-style-type: none"> <li>Organization obtains maintenance support in a timely manner. (MA-6)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
180	Comments:					
181	<ul style="list-style-type: none"> <li>Organization to provide updated documentation to the State as changes are made to the hardware, configurations, and procedures.</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
182	Comments:					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
183	<ul style="list-style-type: none"> <li>System and database modifications, pushes to development: Organization is required to:               <ol style="list-style-type: none"> <li>Coordinate updates to the application(s) and database(s) with the State's Project Manager.</li> <li>Be responsible for the administration of the database(s) and production environment.</li> <li>Be responsible for moving applications from the development/test environment to the production environment for all application and database updates and enhancements.</li> <li>These moves to production are to be logged and auditable.</li> </ol> </li> </ul>	R	X			A
184	<p>Comments: System and database modifications occur approximately every 120 – 180 days, except in the case of emergency releases. All release changes are communicated well in advance of the change. Release documentation (Release Notes and System Administration Change Pages) are distributed in advance of a release.</p> <p>Changes that impact users are coordinated in advance of the change so that appropriate date/time (e.g. evening, weekend) schedules can be determined. All databases and applications are backed up prior to system modifications. Pushes to the Test environment and Production environment only occur after coordination with the State's Program Manager.</p>					
185	<ul style="list-style-type: none"> <li>Organization to provide the Project Manager documentation sufficient in the opinion of the Project manager for any changes to the production application(s) that are not generated by the application itself.</li> </ul>	R	X			A
186	Comments: See response in line 184 above.					
187	<ul style="list-style-type: none"> <li>If the updates require downtime, State staff are to be notified of the potential downtime as if it is an expected outage.</li> </ul>	R	X			A
188	Comments: See response in line 184 above.					
189	<ul style="list-style-type: none"> <li>Updates to the application that require down-time are to follow the expected outage notification procedures.</li> </ul>	R	X			A
190	Comments: See response in line 184 above.					
191	<b>Media Protection (MP)</b> NIST control numbers included where applicable					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
192	Organizations must: (i) protect information system media, both paper and digital; (ii) limit access to information on information system media to authorized users; and (iii) sanitize or destroy information system media before disposal or release for reuse.					
193	<ul style="list-style-type: none"> <li>A documented Media Protection policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (MP-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
194	Comments:					
195	<ul style="list-style-type: none"> <li>Organization ensures that only authorized users have access to information in any media, printed or digital. (MP-2)</li> </ul>	R	X			A
196	Comments					
197	<ul style="list-style-type: none"> <li>Media is sanitized and disposed of based on MDIT and Organization policies and procedures. (MP-6)</li> </ul> <p>Additional SOM information: MDIT required sanitation/disposal procedures are based upon DMB Administrative Guide 1350.90</p>	M	X			A
198	Comments					
199	<ul style="list-style-type: none"> <li>Track, document and verify media destruction and disposal actions</li> </ul>	M	X			A
200	Comments: As a normal course of business, data is not routinely maintained on physical media that is destroyed (e.g. CDs, tape). In the event that a Storage Area Network (SAN) or other media device is decommissioned, all drives are cleaned of data, and formatted.					
201	<ul style="list-style-type: none"> <li>Paper and digital media is stored in a secure storage area and audit of access attempts and access granted is documented. (MP-4)</li> </ul>	R	X			A
202	Comments: All servers which would house SOM data reside in a facility in which access is controlled and monitored 24 x 7. Because there are no paper records to store, we comply with this requirement.					
203	<ul style="list-style-type: none"> <li>Organization restricts the pickup, receipt, transfer, and delivery of media to authorized personnel. (MP-5)</li> </ul>	M	X			A
204	Comments					
205	<ul style="list-style-type: none"> <li>Organization affixes external labels to removable media and output indicating distribution restrictions, handling caveats and applicable security markings. (MP-3)</li> </ul>	R	X			A





A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
206	Comments: Removable media is rarely used.					
207	Removed requirement					
208	Comments					
209	<b>Physical &amp; Environmental (PE) NIST</b>					
210	control numbers included where applicable					
210	Organizations must: (i) limit physical access to information systems, equipment, and the respective operating environments to authorized individuals; (ii) protect the physical plant and support infrastructure for information systems; (iii) provide supporting utilities for information systems; (iv) protect information systems against environmental hazards; and (v) provide appropriate environmental controls in facilities containing information systems.					
211	<ul style="list-style-type: none"> <li>A documented Physical and Environmental protection policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (PE-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable. This documentation is required, even if the vendor uses a third-party hosting center.</p>	<b>M</b>	<b>X</b>			<b>A</b>
212	<p>Comments: Agile's hosting facility is provided by Peer1. Peer1 maintains physical security, in compliance with NIST PE-1. The policy includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>Equipment used for the purposes of hosting the application is located in a secure facility.</li> <li>Access to the secure facility is restricted to employees displaying valid identification badges.</li> <li>Access to the Network Operations Center is limited to authorized, network administrators and requires successful validation by additional authentication mechanisms.</li> <li>Access to the secure facility is logged.</li> <li>Power to the facility is insured by both battery backup and diesel generator.</li> <li>Fire suppression systems are in place.</li> <li>The facility is staffed 24 hours a day, seven days a week.</li> </ul>					
213	<ul style="list-style-type: none"> <li>Organization develops and keeps current a list of personnel with authorized access to facilities. (PE-2)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
214	Comments: This capability is provided by Peer1 networks.					
215	<ul style="list-style-type: none"> <li>Organization controls all physical access points to facilities. (PE-</li> </ul>	<b>R</b>				



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
	3)		X			A
216	Comments: This capability is provided by Peer1 networks.					
217	• Organization monitors physical access to systems to detect and respond to security incidents. (PE-6)	R	X			A
218	Comments: This capability is provided by Peer1 networks.					
219	• Organization controls physical access to systems by authenticating visitors before allowing access to facilities. (PE-7)	R	X			A
220	Comments: This capability is provided by Peer1 networks.					
221	• Organization maintains visitor access records for facilities. (PE-8)	R	X			A
222	Comments: This capability is provided by Peer1 networks.					
223	• Organization employs and maintains automatic emergency lighting. (PE-12)	R	X			A
224	Comments: This capability is provided by Peer1 networks.					
225	• Organization employs and maintains fire suppression and detection systems. (PE-13)	R	X			A
226	Comments: This capability is provided by Peer1 networks.					
227	• Organization employs and maintains temperature and humidity levels within the facilities. (PE-14)	R	X			A
228	Comments: This capability is provided by Peer1 networks.					
229	• Organization employs water damage and detection systems in facilities. (PE-15)	R	X			A
230	Comments: This capability is provided by Peer1 networks.					
231	• Organization controls, documents, and authorizes all delivery and removal of systems and related items entering and exiting the facilities. (PE-16)	R	X			A
232	Comments: This capability is provided by Peer1 networks.					
233	• Organization controls physical access to system devices that display output. (PE-5)	R	X			A
234	Comments. This is done by virtue of access to the server room. This capability is provided by Peer1 networks.					
235	• Organization protects power equipment from damage and destruction. (PE-9)	R	X			A
236	Comments: This is done by virtue of access to the facility. This capability is provided by Peer1 networks.					
237	• Organization provides remote emergency shutoff. (PE-10)	R			X	C
238	Comments: This capability is provided by Peer1 networks hosting environment, however, Agile does not employ this function. Remote shut-off and					



A	B	C	D	E	F	G
1	TECHNICAL REQUIREMENTS	MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
	reboot boxes for each server are available if this is desired. Note: In five years of service, we have never had a need to use such a capability.					
239	<ul style="list-style-type: none"> <li>Organization provides short term uninterruptible power supply for systems. (PE-11)</li> </ul> <p>(1) The organization provides a long-term alternate power supply for the information system that is capable of maintaining minimally required operational capability in the event of an extended loss of the primary power source.</p>	R	X			A
240	Comments					
241	<ul style="list-style-type: none"> <li>Organization maintains appropriate security controls for telecommuting or communications from alternate worksites. (PE-17)</li> </ul>	R	X			A
242	Comments					
243	<ul style="list-style-type: none"> <li>Organization locates systems within facilities to minimize potential damage or unauthorized access. (PE-18)</li> </ul>	R	X			A
244	Comments					
245	<ul style="list-style-type: none"> <li>Organization controls physical access to system transmission lines within facilities. (PE-4)</li> </ul>	R	X			A
246	Comments					
247	<ul style="list-style-type: none"> <li>Provide background investigation of all personnel either supporting, or having physical or logical access to SOM systems or data.</li> </ul>	M	X			A
248	Comments: We will provide all information required for the SOM's background investigation of personnel supporting, or having physical or logical access to SOM systems or data. We do, as a normal course of business, have security checks done by clients, including DoD and the equivalent agency in Canada. We recently had all key personnel pass security screening performed by the Ontario Provincial Police. These checks involve fingerprint checks.					
249	<ul style="list-style-type: none"> <li>Any required background investigations to include Michigan State Police Background checks (ICHAT) as well as Fingerprint checks with the National Crime Information Center (NCIC).</li> </ul>	M	X			A
250	Comments: We will provide all information required for the SOM's background investigation of personnel supporting, or having physical or logical access to SOM systems or data. We do, as a normal course of business, have security checks done by clients, including DoD and the equivalent agency in Canada. We recently had all key personnel pass security screening performed by the Ontario Provincial Police. These checks involve					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
	fingerprint checks.					
251	<ul style="list-style-type: none"> <li>Organization personnel may be required to complete and submit an RI-8 Fingerprinting Card for the NCIC Finger Print Check, at the Organization's expense.</li> </ul>	R	X			A
252	Comments: We have done this for multiple customers.					
253	Removed requirement					
254	<p>Comments: Per security guidelines, all visits must be announced. This is not a common practice. We would propose that coordination of visits be provided two weeks in advance. Agile's hosting facility is provided by Peer1. We have used the same facility for more than four years. No security breaches have been detected, or even perceived to have taken place, or reported by any our customers.</p> <p>Per security guidelines, unannounced visits are not permitted. Below is an excerpt from Peer1's security document:  "Restricted Access  Our facilities are closed off to the public. This means that there are no walk-ins or public areas at the facilities. The only way into our facilities is with an employee keycard that bears a photo ID. All emergency exits are also secured."</p>					
255	<ul style="list-style-type: none"> <li>Ensure compliance by all Organization and Third-party personnel with the State's (SOM) Security Guidelines under "Policies and Standards" published at: <a href="http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html">http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html</a></li> </ul>	R		X		B
256	<p>Comments: Agile will be in compliance by all Organization and Third-party personnel with the SOM's Security Guidelines, as tailored by the project Program Manager. Issues will be raised to the State's Contracting Officer if any items are identified that we do not comply with. Background checks are currently performed on all engineers with access to the physical server facility. This will be completed prior to the Orientation meeting.</p>					
257	<ul style="list-style-type: none"> <li>All Organization personnel are to comply with the State's acceptable use policies where State IT equipment and resources are concerned.</li> </ul>	R	X			A
258	Comments					
259	<ul style="list-style-type: none"> <li>All individuals with physical/logical access to systems containing SOM data (whether Organization staff, or third-party), are required to sign a State of Michigan Organization Security Agreement, as well as a Non-Disclosure agreement. These documents are to be reviewed/renewed annually. Organization will have all required documents signed prior to allowing any individual access to SOM systems/data. Said forms will also be signed prior to the Organization presenting said individual to the State as a proposed resource.</li> </ul>	M		X		B



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
260	Comments: Agile has requested the subject forms via Mr. Douglas Collier of the State of Michigan. Forms will be completed by individuals having physical and logical access within 10 days of receipt and will be reviewed annually.					
261	<b>Planning (PL)</b> NIST control numbers included where applicable					
262	Organizations must develop, document, periodically update, and implement security plans for organizational information systems that describe the security controls in place or planned for the information systems and the rules of behavior for individuals accessing the information systems.					
263	<ul style="list-style-type: none"> <li>A documented Security Plan policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (PL-1)Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</li> </ul>	M	X			A
264	Comments:					
265	<ul style="list-style-type: none"> <li>Organization develops, implements, and regularly reviews a Security Plan. (PL-2) (PL-3)</li> </ul>	R	X			A
266	Comments					
267	<ul style="list-style-type: none"> <li>Organization establishes an End User Computing agreement describing roles and responsibilities and expected behavior. Document is read, understood, and a signed copy is retained before authorizing access. (PL-4)</li> </ul>	R	X			A
268	Comments: Accomplished via FleetCommander's "Must Read Policy" feature. Agile will ensure that an End User Computing agreement describing roles and responsibilities and expected behavior will be read, signed and retained before authorizing access to SOM data.					
269	<ul style="list-style-type: none"> <li>Organization conducts a privacy assessment of system. (PL-5)</li> </ul>	R	X			A
270	Comments: Security audits performed at regular intervals.					
271	<ul style="list-style-type: none"> <li>Organization organizes and plans security related activities, assessments, maintenance, and audits. Organization is responsible for implementation of all facets of the Organizations published Security Plan.</li> </ul>	R	X			A
272	Comments					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
273	<ul style="list-style-type: none"> <li>SECURITY-RELATED ACTIVITY PLANNING</li> </ul> <p>Control: The organization plans and coordinates security-related activities affecting the information system before conducting such activities in order to reduce the impact on organizational operations (i.e., mission, functions, image, and reputation), organizational assets, and individuals.</p> <p>Supplemental Guidance: Routine security-related activities include, but are not limited to, security assessments, audits, system hardware and software maintenance, security certifications, and testing/exercises. Organizational advance planning and coordination includes both emergency and non-emergency (i.e., routine) situations. (PL-6)</p>	R	X			A
274	Comments					
275	<b>Personnel Security (PS)</b> NIST control numbers included where applicable					
276	Organizations must: (i) ensure that individuals occupying positions of responsibility within organizations (including third-party service providers) are trustworthy and meet established security criteria for those positions; (ii) ensure that organizational information and information systems are protected during and after personnel actions such as terminations and transfers; and (iii) employ formal sanctions for personnel failing to comply with organizational security policies and procedures.					
277	<ul style="list-style-type: none"> <li>A documented Personnel Security policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (PS-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
278	Comments					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
279	<ul style="list-style-type: none"> <li>Organization heads shall designate every competitive service position within the organization at a high, moderate, or low risk level as determined by the position's potential for adverse impact to the efficiency and integrity of the service. (PS-2)</li> </ul>	R	X			A
280	Comments					
281	<ul style="list-style-type: none"> <li>Organization screens individuals requiring access before authorizing access. (PS-3)</li> </ul>	M	X			A
282	Comments					
283	<ul style="list-style-type: none"> <li>Organization conducts exit interviews upon termination of employees and terminates access to systems. (PS-4)</li> </ul>	R	X			A
284	Comments					
285	<ul style="list-style-type: none"> <li>Organization reviews system and facility access upon reassignment of personnel. (PS-5)</li> </ul>	R	X			A
286	Comments					
287	<ul style="list-style-type: none"> <li>Organization completes signed inter-Organization access agreements before authorizing system access. (PS-6)</li> </ul>	R		X		C
288	Comments: Agile's current policy allows access to systems on a case-by-case basis using an email as an agreement in lieu of a signed document. Access is granted only for limited-scope actions on the servers.					
289	<ul style="list-style-type: none"> <li>Organization establishes security requirements for third party vendors and monitors their compliance. (PS-7)</li> </ul>	M	X			A
290	Comments					
291	<ul style="list-style-type: none"> <li>Organization employs a formal sanction process for security non-compliance. (PS-8)</li> </ul>	R	X			A
292	Comments					
293	<b>Risk Assessment (RA)</b> NIST control numbers included where applicable					
294	Organizations must periodically assess the risk to organizational operations (including mission, functions, image, or reputation), organizational assets, and individuals, resulting from the operation of organizational information systems and the associated processing, storage, or transmission of organizational information.					





A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
295	<ul style="list-style-type: none"> <li>• A documented Risk Assessment policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (RA-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	<b>M</b>	<b>X</b>			<b>A</b>
296	Comments					
297	<ul style="list-style-type: none"> <li>• Organization categorizes their information in accordance with applicable laws, orders, and policies. (RA-2)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
298	Comments					
299	<ul style="list-style-type: none"> <li>• Organization has a risk assessment done for systems, to identify magnitude of harm from breach, use, disclosure, modification, or destruction. (RA-3)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
300	Comments:					
301	<ul style="list-style-type: none"> <li>• Organization updates the risk assessment or whenever majors changes are performed. (RA-4)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
302	Comments:					
303	<ul style="list-style-type: none"> <li>• Organization regularly scans for vulnerabilities in the system. (RA-5)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
304	Comments: Vulnerability scans are regularly conducted. Currently these scans are performed at 30 day intervals.					
305	<b>System &amp; Services Acquisition (SA)</b> <b>NIST control numbers included where applicable</b>					
306	Organizations must: (i) allocate sufficient resources to adequately protect organizational information systems; (ii) employ system development life cycle processes that incorporate information security considerations; (iii) employ software usage and installation restrictions; and (iv) ensure that third-party providers employ adequate security measures to protect information, applications, and/or services outsourced from the organization.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
307	<ul style="list-style-type: none"> <li>• A documented Systems and Services Acquisition policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (SA-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	<b>M</b>		<b>X</b>		<b>B</b>
308	Comments: This does not currently exist. This is anticipated to be completed 90 days after the orientation meeting.					
309	<ul style="list-style-type: none"> <li>• Organization performs and allocates capital resources for Security. (SA-2)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
310	Comments					
311	<ul style="list-style-type: none"> <li>• Organization manages systems using a system development life cycle methodology that includes information security considerations. (SA-3)</li> </ul> <p>Additional SOM notation: An example would be the current SOM "SUITE" methodology.</p>	<b>R</b>	<b>X</b>			<b>A</b>
312	Comments					
313	<ul style="list-style-type: none"> <li>• Organization includes security requirements in contracts. (SA-4)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
314	Comments					
315	<ul style="list-style-type: none"> <li>• Organization adequately documents systems. (SA-5)</li> </ul>	<b>R</b>		<b>X</b>		<b>B</b>
316	Comments: Agile recently initiated a program to standardize and formalize documentation related to system configurations for daily administrative and security control. This is a long-duration effort. Anticipated completion date is 12/2009.					
317	<ul style="list-style-type: none"> <li>• Organization complies with software usage policies. (SA-6)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
318	Comments					
319	<ul style="list-style-type: none"> <li>• Organization enforces policies governing software installation by users. (SA-7)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
320	Comments					
321	<ul style="list-style-type: none"> <li>• Organization requires that external providers of systems employ adequate security controls. (SA-9)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
322	Comments					
323	<ul style="list-style-type: none"> <li>• Organization utilizes security engineering principles in system designs. (SA-8)</li> </ul>	<b>R</b>	<b>X</b>			<b>A</b>
324	Comments					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
325	<ul style="list-style-type: none"> <li>Organization requires that system developers create security test and evaluation plans. (SA-11)</li> </ul>	R	X			A
326	Comments					
327	<ul style="list-style-type: none"> <li>Organization requires that system developers create and implement configuration management plans. (SA-10)</li> </ul>	R	X			A
328	Comments					
329	<b>System &amp; Communications Protection (SC)</b> NIST control numbers included where applicable					
330	Organizations must: (i) monitor, control, and protect organizational communications (i.e., information transmitted or received by organizational information systems) at the external boundaries and key internal boundaries of the information systems; and (ii) employ architectural designs, software development techniques, and systems engineering principles that promote effective information security within organizational information systems.					
331	<ul style="list-style-type: none"> <li>A documented Systems and Communication Protection policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (SC-1) Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</li> </ul>	M	X			A
332	Comments					
333	<ul style="list-style-type: none"> <li>System protects against denial of service attacks. (SC-5)</li> </ul>	R	X			A
334	Comments					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
	<ul style="list-style-type: none"> <li>System monitors and controls communications at all boundaries. (SC-7)</li> </ul> <p>Control Enhancements:</p> <p>(1) The organization physically allocates publicly accessible information system components to separate subnetworks with separate, physical network interfaces.</p> <p>Enhancement Supplemental Guidance: Publicly accessible information system components include, for example, public web servers.</p> <p>(2) The organization prevents public access into the organization's internal networks except as appropriately mediated.</p> <p>(3) The organization limits the number of access points to the information system to allow for better monitoring of inbound and outbound network traffic.</p> <p>(4) The organization implements a managed interface (boundary protection devices in an effective security architecture) with any external telecommunication service, implementing controls appropriate to the required protection of the confidentiality and integrity of the information being transmitted.</p> <p>(5) The information system denies network traffic by default and allows network traffic by exception (i.e., deny all, permit by exception).</p> <p>(6) The organization prevents the unauthorized release of information outside of the information system boundary or any unauthorized communication through the information system boundary when there is an operational failure of the boundary protection mechanisms.</p>	R				
335			X			A
336	Comments: Agile restricts remote server access to only specific IP addresses via the firewall. We do not even let in a range of IP addresses, but rather a specific IP address. We then require 2-factor authentication. All communication with the servers is through the firewall and is regulated via configurable firewall access policies.					
337	<ul style="list-style-type: none"> <li>System protects the integrity and availability of public information. (SC-14)</li> </ul>	R	X			A



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
338	Comments					
339	• Organization separates user functionality from system management. (SC-2)	R	X			A
340	Comments					
341	• System prevents unauthorized information transfer via shared systems. (SC-4)	R	X			A
342	Comments					
343	• System protects the integrity of transmitted information. (SC-8)	M	X			A
344	Comments: Agile relies on a commercial service provider for transmission services and 128-bit SSL security. This approach appears to meet the intended requirements in SC-9. SC-9 identifies the perceived inherent risk of any commercial provider for transmission services as a commodity item and notes that organizations may elect to accept the risk. Agile has had no reported or perceived threats related to confidentiality of transmitted information.					
345	• System protects the confidentiality of the transmitted information. (SC-9)	M	X			A
346	Comments: Agile relies on a commercial service provider for transmission services and 128-bit SSL security. This approach appears to meet the intended requirements in SC-9. SC-9 identifies the perceived inherent risk of any commercial provider for transmission services as a commodity item and notes that organizations may elect to accept the risk. Agile has had no reported or perceived threats related to confidentiality of transmitted information.					
347	• System terminates a network connection at end of session or inactivity timeout. (SC-10)	R	X			A
348	Comments					
349	Requirement removed	R			X	C
350	Comments: This requirement does not appear applicable to this solicitation.					
351	• Organization utilizes public key certificates from an approved provider. (SC-17)	R	X			A
352	Comments:					
353	• Organization restricts and manages mobile code technologies, ie. Java, ActiveX, Flash, ... (SC-18)	R			X	C
354	Comments: FleetCommander utilizes JavaScript, PDF, VBScript, ActiveX technologies. Agile monitors and restricts the use of these technologies only to the relevant areas of the FleetCommander application.					
355	• Removed requirement	R			X	C
356	Comments: FleetCommander does not use voice over IP technology.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
357	<ul style="list-style-type: none"> <li>Organization restricts and manages fault tolerant Domain Name Systems (DNS). (SC-20) (SC-22)</li> </ul>	R	X			A
358	Comments: Current FleetCommander sites hosted at *.agilefleet.com domains are resolved via a primary DNS server with a second DNS server for redundancy. Current servers are pit.maxim.net and pendulum.maxim.net.					
359	<ul style="list-style-type: none"> <li>System provides communication protection at the session level when session level protection is needed, ie. SOA, ... (SC-23)</li> </ul>	R	X			A
360	Comments:					
361	<ul style="list-style-type: none"> <li>Organization separates security functions from non-security functions. (SC-3)</li> </ul>	R	X			A
362	Comments:					
363	<ul style="list-style-type: none"> <li>The application is to be connected to the Internet through a T1 data connection with a redundant T1 circuit available from the provider should the circuit fail. Connection expandable to OC-1.</li> </ul>	R	X			A
364	Comments: The SOM FleetCommander servers will be at the Fremont, CA and Florida Peer1 locations.					
365	<ul style="list-style-type: none"> <li>NO wireless access is allowed anywhere on the same physical network where SOM information is either stored or accessed.</li> </ul>	M	X			A
366	Comments: Provided by Peer1 infrastructure.					
367	<ul style="list-style-type: none"> <li>Organization MUST provide system network/data-flow diagram for review by appropriate SOM personnel.</li> </ul>	M	X			A
368	Comments					
369	<b>System &amp; Information Integrity (SI) NIST</b> <b>control numbers included where applicable</b>					
370	Organizations must: (i) identify, report, and correct information and information system flaws in a timely manner; (ii) provide protection from malicious code at appropriate locations within organizational information systems; and (iii) monitor information system security alerts and advisories and take appropriate actions in response.					
371	<ul style="list-style-type: none"> <li>A documented Systems and Information Integrity policy that addresses purpose scope, roles, responsibilities, and procedures, developed and distributed to all employees. (SI-1)</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
372	Comments					
373	<ul style="list-style-type: none"> <li>Organization identifies, reports, and corrects information system flaws. (SI-2)</li> </ul>	R	X			A
374	Comments: Flaws are documented within SOS as they are identified. Corrections for non-critical flaws are prioritized and released with regular updates. Corrections for critical flaws are released as they are resolved. Critical relevant security patches, service packs, and hot fixes are tested and, based on a successful test run, applied to servers.					
375	<ul style="list-style-type: none"> <li>Organization implements malicious code protection and techniques. (SI-3)</li> </ul> <p>Additional SOM requirement(s):</p> <p>1) The network must be protected by anti-virus enterprise software automatically updated with the latest virus definitions as the software publisher releases them.</p> <p>2) All workstations connected to the network will be protected with anti-virus software to prevent viruses from being introduced from within the network.</p> <p>3) Prior to connection to the network, all Third Party equipment connected is to be scanned/cleaned of any malware/infection.</p>	M	X			A
376	Comments: All FleetCommander servers currently run McAfee VirusScan Enterprise. Only servers exist in this network.					
377	<ul style="list-style-type: none"> <li>Organization receives system security alerts and advisories and reissues them to appropriate personnel for action. (SI-5)</li> </ul>	R	X			A
378	Comments					
379	<ul style="list-style-type: none"> <li>Organization employs tools to monitor system attacks and unauthorized usage. (SI-4)</li> </ul>	R	X			A
380	Comments					
381	<ul style="list-style-type: none"> <li>System has spam protection. (SI-8)</li> </ul>	R	X			A
382	Comments Mail servers used by FleetCommander to send email are located behind the firewall and access is limited to the FleetCommander servers. FleetCommander and the servers it is hosted on do not receive or relay unsolicited mail.					
383	<ul style="list-style-type: none"> <li>System verifies correct operation of security functions. (SI-6)</li> </ul>	R	X			A
384	Comments: IP Monitoring service verifies security of the servers via simulating a variety of attacks on the server infrastructure within a controlled environment.					





A	B	C	D	E	F	G
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385	<ul style="list-style-type: none"> <li>System detects and protects against unauthorized software and information changes. (SI-7)</li> </ul>	R	X			A
386	Comments: Off-the-shelf third-party software is tested extensively before installation on servers. Reference checks on vendors are conducted. If an open-source product is to be evaluated, the source code is scanned for malicious intent.					
387	<ul style="list-style-type: none"> <li>Separate testing and production environments.</li> </ul>	R	X			A
388	Comments					
389	<b>Help Desk Support</b>					
390	<ul style="list-style-type: none"> <li>Help Desk support team will be pre-trained on the system and have extensive customer support experience.</li> </ul>	R	X			A
391	Comments:					
392	<ul style="list-style-type: none"> <li>The Organization Software will provide statistical information on a monthly-basis pertaining to how many calls, approximate duration of the call, date and time and who placed the call.</li> </ul>	R	X			A
393	Comments: All calls handled via the designated support mechanisms (408-213-9555 x2) are monitored and tracked in our phone system. Agile's phone system provider maintains statistics and logs, including durations and which number the call was initiated from. Calls related to, or resulting in an issue being logged in the tracking system will include the name of the person reporting the information.					
394	<ul style="list-style-type: none"> <li>If a SOM resource is needed, the Organization is to provide the caller with the name and number of who to call.</li> </ul>	R	X			A
395	Comments The requirement, as written, is ambiguous. If this is referring to a requirement to leave a name and number on an answering machine, then this requirement is met.					
396	<ul style="list-style-type: none"> <li>The State and Organization are to jointly agree on a mechanism to keep the State's Call Center advised of hardware issues affecting system availability and/or performance.</li> </ul>	R	X			A
397	Comments:					
398	<b>Infrastructure / Network</b> NIST control numbers included where applicable					
399	<ul style="list-style-type: none"> <li>State policy does not allow a server which has direct traffic from the internet (Web, Email) to use Windows file or print sharing. Is the proposed software and system architecture compatible and compliant?</li> </ul>	M	X			A
400	Comments					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
401	<ul style="list-style-type: none"> <li>State policy does not allow servers in the semi-trusted DMZ network zone to share resources using Windows File Sharing. Is the proposed software and system architecture compatible and compliant? Please describe how your system would provide services to users both on an internal secure network and the internet with data in a secure network zone. Describe where you would put servers and services and what protocols would be used across network zones for three network zones which include a trusted zone, semi-trusted zone (DMZ) and internet.</li> </ul>	M	X			A
402	Comments					
403	<ul style="list-style-type: none"> <li>State policy does not allow services from the internet including SMTP, HTTP, HTTPS, FTP, and SFTP network traffic to be inbound to zones more trusted than the DMZ without going through an interim security device (such as a firewall). Is the proposed software and system architecture compatible and compliant?</li> </ul>	M	X			A
404	Comments: All FleetCommander servers are located behind a firewall.					
405	<ul style="list-style-type: none"> <li>State policy does not allow Windows file sharing across network zones. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
406	Comments					
407	<ul style="list-style-type: none"> <li>State policy requires all servers housing data not authorized for public dissemination are to reside in a network zone more secure than the semi-trusted DMZ zone. Is the proposed software and system architecture compatible and compliant?</li> </ul>	M	X			A
408	Comments: All FleetCommander servers are located behind a firewall, accessible only from authorized IP addresses.					
409	<ul style="list-style-type: none"> <li>State policy requires any servers receiving inbound mail from un-trusted sources to first have mail filtered against hostile content by a mail gateway. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R			X	C
410	Comments: FleetCommander itself does not receive any inbound email.					
411	<ul style="list-style-type: none"> <li>State policy requires mail relaying to be disabled for non-authorized users. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
412	Comments					



A	B	C	D	E	F	G
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413	<ul style="list-style-type: none"> <li>State policy requires servers and applications to be capable of sending outbound HTTP, HTTPS, FTP, or Gopher protocol traffic from a more secure network zone to a less secure zone using a proxy gateway. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R			X	C
414	Comments: FleetCommander does not need to send outbound requests to servers on other network zones.					
415	<ul style="list-style-type: none"> <li>State policy prohibits servers and equipment from having a network presence (IP address) in more than one network zone (split-horizon). Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
416	Comments					
417	<ul style="list-style-type: none"> <li>State policy requires inbound network traffic to be able to be scanned for hostile content even if it is encrypted. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
418	Comments: The combination of a sophisticated firewall device in front of the FleetCommander servers and McAfee VirusScan Enterprise running on the FleetCommander servers satisfies this requirement.					
419	<ul style="list-style-type: none"> <li>State policy requires outbound traffic to be able to be scanned for hostile content even if it is encrypted. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
420	Comments: The combination of a sophisticated firewall device in front of the FleetCommander servers and McAfee VirusScan Enterprise running on the FleetCommander servers satisfies this requirement.					
421	<ul style="list-style-type: none"> <li>Is your software/system capable of securing outbound traffic containing confidential or sensitive data so only the intended recipient can access it? Please name the encryption protocols and bit lengths used.</li> </ul>	M	X			A
422	Comments: All data sent to a user from the FleetCommander server is accessed over HTTPS. 128-bit encryption is required.					
423	<ul style="list-style-type: none"> <li>Is the system able to receive, process, and send encrypted traffic that is encrypted with acceptably secure protocols for the standards of the day and complies with NIST FIPS Publication 140-2? Please list the encryption and key management protocols supported by your software/architecture and indicate whether your software/system(s) can be configured to support new encryption and key management protocols.</li> </ul>	R	X			A
424	Comments: All data sent to a user from the FleetCommander server is accessed over HTTPS. 128-bit encryption is required.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
425	<ul style="list-style-type: none"> <li>State policy requires that network packets that go across the internet are not allowed to contain information such as internal IP addresses that can be used to determine internal network structure. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
426	Comments					
427	<ul style="list-style-type: none"> <li>State policy prohibits inbound ICMP traffic. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
428	Comments					
429	<ul style="list-style-type: none"> <li>State policy prohibits inbound SNMP Traffic. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
430	Comments					
431	<ul style="list-style-type: none"> <li>State policy requires connections to external networks to be through state approved methods using approved technologies (such as VPN's using FIPS 140-2 compliant protocols/procedures). Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
432	Comments: If connections to external networks become necessary, Agile shall set up VPN connections, compliant with state policy. The FleetCommander software would not be a factor in this requirement. The proposed system architecture would facilitate use of a VPN using FIPS 140-2 compliant protocols/procedures. System-level access to servers from State networks could be restricted to VPN traffic only.					
433	<ul style="list-style-type: none"> <li>State policy prohibits broadcast network traffic across network zones. Is the proposed software and system architecture compatible and compliant?</li> </ul>	R	X			A
434	Comments:					
435	<ul style="list-style-type: none"> <li>Network Management Services – Organization will engineer, provide and monitor, at its cost, network connectivity between the server and the State. The State's network hardware, and software capabilities and standards will govern the technical solution.</li> </ul>	R	X			A
436	Comments: IP Monitor is used for FleetCommander servers to monitor connectivity to Internet.					
437	<ul style="list-style-type: none"> <li>Organization guarantees the Network will successfully meet all telecom interface standards.</li> </ul>	R	X			A
438	Comments: Agile servers and network meet all relevant telecom interface standards.					



A	B	C	D	E	F	G
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439	<ul style="list-style-type: none"> <li>Organization is to maintain a Network performance monitoring and measuring system at its hosting environment. The monitoring system will measure, monitor and report Network activity between the Server and Organization-provided router at the State interface. The Organization agrees to implement said monitoring and reporting system prior to production cutover.</li> </ul>	R	X			A
440	Comments: IP Monitor is used for FleetCommander servers to monitor connectivity to Internet.					
441	<ul style="list-style-type: none"> <li>Organization agrees to increase network capability at its cost, as needed, to meet the Network availability and performance service levels defined by the State.</li> </ul>	R	X			A
442	Comments					
443	<b>System Migration and Testing</b>					
444	<ul style="list-style-type: none"> <li>Organization must provide a transition plan for migration/transfer of the hosted system to within a State of Michigan hosted environment.</li> </ul> <p>Additional SOM requirement(s): Copies of documentation must be provided to the State of Michigan for review. Electronic copies are preferred, but printed copies are acceptable.</p>	M	X			A
445	Comments: This is part of several deliverables, including the Detailed Project Plan.					
446	<ul style="list-style-type: none"> <li>Organizations transition plan must contain a detailed migration task list (in Microsoft Project), including cutover schedule and activities.</li> </ul>	R	X			A
447	Comments: This is part of several deliverables, including the Detailed Project Plan.					
448	<ul style="list-style-type: none"> <li>Organization must provide a transition plan for transfer of State data, programs and third party software to the equipment at the commencement of the contract and at the contract's termination.</li> </ul>	M	X			A
449	Comments: This is part of several deliverables, including the Detailed Project Plan.					
450	<ul style="list-style-type: none"> <li>Organization must provide a projected impact plan on operations and any anticipated downtime the State may experience during the transition.</li> </ul>	R	X			A
451	Comments: This is part of several deliverables, including the Detailed Project Plan.					
452	<ul style="list-style-type: none"> <li>Organization is to provide a plan for testing methodologies employed in the effort to ensure that business operations will not be negatively impacted immediately before, during, or after migration.</li> </ul>	R	X			A



A	B	C	D	E	F	G
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453	Comments: This is part of several deliverables, including the Detailed Project Plan.					
454	• The proposed process to be used to reach mutually agreed upon transition acceptance criteria.	R	X			A
455	Comments: This is part of several deliverables, including the Detailed Project Plan.					
456	• The Organization's transition plan must include security measures that will be taken during the transition to protect the State's data and software assets.	R	X			A
457	Comments: This is part of several deliverables, including the Detailed Project Plan.					
458	• Organization to provide a disaster recovery plan prior to transitioning / migrating the system to the SOM hosting environment.	R	X			A
459	Comments: This is part of several deliverables, including the Detailed Project Plan.					
460	• The Organization's migration plan is to include measures utilized to ensure that critical processes, such as printing, interfaces with other systems, and end-of-month transactions, will be available to the State of Michigan before/during/after the system migration.	R	X			A
461	Comments: This is part of several deliverables, including the Detailed Project Plan.					
462	• Organization to perform system acceptability and performance testing after migration of additional data application, modification, or updates to the software and prior to commencement of primary processing support.	R	X			A
463	Comments: This is part of several deliverables, including the Detailed Project Plan and the Test Plan.					
464	• Specific acceptance and performance tests are to be agreed to prior to completion of migration.	R	X			A
465	Comments: This is part of several deliverables, including the Detailed Project Plan and the Test Plan.					
466	• Test requirements to ensure: Processing capabilities of hardware, system software and telecommunications resources meet requirements.	M	X			A
467	Comments: This is part of several deliverables, including the Detailed Project Plan and the Test Plan.					
468	• Test requirements to ensure: Accuracy of processed data.	M	X			A
469	Comments: This is part of several deliverables, including the Detailed Project Plan and the Test Plan.					
470	• Test requirements to ensure: Hardware, systems software, and telecommunications environments integrate and interface effectively with the State.	M		X		B



A	B	C	D	E	F	G
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471	Comments: Based on our current understanding of the proposed interfaces with the State's external systems, Agile warrants that hardware, systems software, and telecommunications environments will integrate and interface effectively.					
472	• Testing to be performed jointly and all results documented. Any issues are to be documented and resolved by the Organization, with input from the State.	R	X			A
473	Comments					
474	<b>Vendor, contractor &amp; third party NIST control numbers included where applicable</b>					
475	• Adherence to MDIT and Organization security policies	R	X			A
476	Comments					
477	• Security Agreements signed, maintained and reviewed yearly	M		X		B
478	Comments: Policies will be in place by the go-live date at no cost to SOM.					
479	• Remote Access must be secured through the use of, at minimum, VPN with 2-factor authentication.	M	X			A
480	Comments: Agile will implement the SOM-provided VPN.					
481	• Third Party software and equipment should be configured to operate securely; virus protection and other SOM security procedures should be employed.	R	X			A
482	Comments					
483	• Eliminate physical and electronic access on the same day the contract ends	R	X			A
484	Comments: Physical and electronic access is terminated on or before the contract end date.					
485	• No self-assessment	R	X			A
486	Comments					
487	• Organization is required to verify that any vendor, contractor or third-party with access to SOM data/hardware is utilizing/following security controls that meet or exceed Organization/SOM established security controls.	R		X		B
488	Comments: Agile uses Peer1 hosting services. A description of these services, which Agile feels meet or exceed those of SOM's, is provided in the body of our proposal text. Should any additional details be required those would be provided at Agile's expense within 30 days of the request of SOM.					





A	B	C	D	E	F	G
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489	Requirement removed	R	X			A
490	Comments					
491	<b>z_Kiosk and Third Party Device Integration</b> NIST control numbers included where applicable					
492	<ul style="list-style-type: none"> <li>Kiosk Security Requirements must (at a minimum) comply with DIT PROCEDURE 1350.31 (Effective Date: January 25, 2005)</li> </ul>	R	X			A
493	Comments					
494	<ul style="list-style-type: none"> <li>Prevent rebooting machine in a non-secured manner</li> </ul>	R	X			A
495	Comments: FleetCommander Kiosk is secured by a third-party application called Kioware (www.kioware.com). Only users with administrative access to Kioware can exit the application and reboot the kiosk machine.					
496	<ul style="list-style-type: none"> <li>Prevent use of data drop by non-state equipment. Data drop (communication path) must be protected and non-accessible by unauthorized personnel.</li> </ul>	R	X			A
497	Comments: All data sent to a user from the FleetCommander server is accessed over HTTPS. 128-bit encryption is required. Physical security of the kiosk will fall under industry standard practices (e.g. cables not accessible).					
498	<ul style="list-style-type: none"> <li>Data communication between SOM (VTS) system and Kiosk must be encrypted to FIPS 140-2 standards.</li> </ul>	M	X			A
499	Comments: No data communications occur between SOM (VTS) "system" and the kiosk directly. The kiosk only communicates with the FleetCommander server. Clarification of which SOM (VTS) system is in question may be required.  Communication between the Kiosk is restricted by Kioware to access only FleetCommander servers. This traffic is limited to HTTPS communication.					
500	<ul style="list-style-type: none"> <li>Configuration of Kiosk operating system must be protected from non-authorized personnel.</li> </ul>	R	X			A



A	B	C	D	E	F	G
1	TECHNICAL REQUIREMENTS	MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)	YES	YES WITH CUSTOMIZATIONS	NO	REQ RESPONSE (A, B, C, D, E)
501	Comments: Addressed via Kioware (www.kioware.com)					
502	Requirement removed	M	X			A
503	Comments					
504	<ul style="list-style-type: none"> <li>Access to key dispenser of Kiosk must require (at minimum) 2-factor authentication. 3-factor would be preferable.</li> </ul>	M	X			A
505	Comments: By default, access to the kiosk is via username and password. Additional authentication options such as magnetic strip card or RFID are optionally available but are not currently priced as part of this proposal.					
506	<ul style="list-style-type: none"> <li>Storage of ALL Kiosk authentication credentials within both the Kiosk itself, as well as the hosting / control system MUST be encrypted to FIPS 140-2 standards.</li> </ul>	M	X			A
507	Comments: The kiosk itself functions only as a web browser. Kioware prevents the kiosk from accessing any URLs other than those permitted by an administrator. Authentication credentials and other application data are not stored on the kiosk but rather on the remote web server the kiosk accesses. Passwords are encrypted in the remote database.					
508	<ul style="list-style-type: none"> <li>The Kiosk should employ either camera or video technology to allow for remote (visual) authentication by SOM security personnel.</li> </ul>	O			X	E
509	Comments					
510	<ul style="list-style-type: none"> <li>control access to network resources not needed to support the application</li> </ul> <p>Methods</p> <ul style="list-style-type: none"> <li>Employ a local logical or physical Firewall</li> <li>Access list on switches</li> <li>Install routers and/or external firewall-</li> <li>Configure routers to needed sites/locations</li> <li>Configure firewalls/routers to allow only necessary traffic. Ports and destination needed by the application and administration.</li> <li>Use VLANs to limit visibility of other equipment</li> </ul>	R	X			A
511	Comments: Communication between the Kiosk is restricted by Kioware to access only FleetCommander servers. This traffic is limited to HTTPS communication.					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
512	<ul style="list-style-type: none"> <li>Vehicle keys dispensed by the Kiosk are to be individually locked, and access controlled such that only one set of keys may be dispensed at a time. Further dispensation should require additional credentials for authentication.</li> </ul>	R	X			A
513	Comments					
514	<ul style="list-style-type: none"> <li>Keys (single or multiple) must be physically conjoined such that keys may NOT be removed from Kiosk locking mechanism by physical manipulation. Example, keys conjoined by a common slip-ring may be removed from a Kiosk locking mechanism.</li> </ul>	R	X			A
515	Comments: Keys are secured via tamper-proof rings.					
516	<ul style="list-style-type: none"> <li>Prevent theft of equipment. Kiosk must be securely installed so as not to allow for physical removal. Example, lagged into concrete (of sufficient strength and weight) with sufficient length and diameter bolts as to prevent removal. Said lag bolts would be internal to the Kiosk cabinet itself, and only accessible once the Kiosk was opened by authorized personnel.</li> </ul>	R	X			A
517	Comments: The proposed key box solution facilitates the requirement. Mounting will be done by SOM staff with guidance from Agile.					
518	<ul style="list-style-type: none"> <li>Kiosk must be constructed in such a way as to prevent internal access by unauthorized personnel. Example, a very strong steel enclosure that is locked with a very secure (and not easily breached) keyed-locking mechanism or padlock.</li> </ul>	R	X			A
519	Comments					
520	Requirement removed	R			X	C
521	Comments: The form factor of the kiosk proposed does not have a cabinet door to open, and therefore, this requirement does not appear to be valid.					
522	<ul style="list-style-type: none"> <li>Kiosk must be environmentally protected (both externally and internally) from elements normally found in nature in the contiguous 48 States. Example, all 4 seasons in Michigan.</li> </ul>	R	X			A
523	Comments:					
524	<ul style="list-style-type: none"> <li>Kiosk must employ a stay-alive heartbeat for network connection. Example, if for some reason the Kiosk drops off-line, the hosting system must notify appropriate network/security personnel of the situation.</li> </ul>	R	X			A
525	Comments: This is accomplished via IPMonitor (assuming access to do so) and by Kioware Server which receives kiosk specific log data on regular					



A	B	C	D	E	F	G
1	<b>TECHNICAL REQUIREMENTS</b>	<b>MANDATORY (M) or REQUIRED (R) or OPTIONAL (O)</b>	<b>YES</b>	<b>YES WITH CUSTOMIZATIONS</b>	<b>NO</b>	<b>REQ RESPONSE (A, B, C, D, E)</b>
	intervals.					
526	<ul style="list-style-type: none"> <li>prevent access to data left on machine or in memory from prior user</li> </ul> <p>Methods</p> <ul style="list-style-type: none"> <li>Configure application to purge memory</li> <li>Configure unit to reboot</li> <li>No printing</li> </ul>	R	X			A
527	<p>Comments: Kiosk can be configured/installed without print capabilities. In terms of memory/data theft, the browser cache can be configured via Kioware to be cleared after each session. Given that each kiosk serves only a web browser, application data is stored on the web server and not the kiosk itself. Kioware provides configuration options to clear cookies, browser cache, and the print spooler queue following the end of each session.</p>					